

JPRS 79863

15 January 1982

South and East Asia Report

No. 1088

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SOUTH AND EAST ASIA REPORT

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GANOTANTRIK LEADER CALLS FOR NATIONAL FRONT

Dacca THE BANGLADESH TIMES in English 10 Dec 81 p 8

[Text] Mr Anwar Zahid, Acting Chairman, Gonotantrik Party, said on Tuesday that a national consensus, and a new constitutional formula having direct support of the people were needed to face the post-election political situation and "deepening constitutional crisis".

He said that not only democracy, but also the overall national life would be seriously hampered if the democratic forces of the country failed to show foresightedness in facing the situation.

Mr Anwar Zahid was delivering his presidential address at a discussion meeting organised to observe the first founding anniversary of Gonotantrik party. He said that the crisis on the question of understanding between the government and the army, and differences of opinion within the government could not permanently be solved by avoiding the people.

He called for activating the national front and uniting the democratic and patriotic political parties, groups and individuals within its fold in this connection.

Referring to the deteriorating economic situation he said that the present government would not be able to face this. He said that neither democracy, nor independence or economy was safe in the hands of the government.

The discussion meeting was also addressed by members of Mossrs Sirasul Hossain Khan: the party standing committee Abdul Matin and Alamgir Majumder, Abdul Kashem and Abdul Khaleque, President and Vice-President of the Dacca City Unit among others said a press release.

CSO: 4220/7532

FOREIGN MINISTER MEETS WITH SAUDI PRINCE

Dacca THE BANGLADESH TIMES in English 9 Dec 81 pp 1, 8

[Text] Foreign Minister Prof Muhammad Shamsul Huq on Tuesday expressed happiness at the 'close fraternal' ties between Saudi Arabia and Bangladesh, reports BSS.

The Foreign Minister was having a meeting with the visiting Saudi Prince Talal bin Abdul Aziz al-Saud, Special Envoy of UNICEF, who called on him at the State Guest House Meghna.

The Foreign Minister said the recent invitation from King Khaled to the newly-elected President Abdus Sattar of Bangladesh to visit Saudi Arabia was a manifestation of the close ties between the two fraternal countries.

Warmly welcoming the Prince the Foreign Minister said although it was his first visit to Bangladesh, Prince Talal was well-known here for his dedication to social and humanitarian service as well as for the important diplomatic and cabinet positions he had held in his country.

Prof Huq told the Prince that the commendable initiative he took for setting up the Gulf-Arab Programme for UN Development Agencies had attracted the special notice of the international community.

Prof Huq and Prince Talal also discussed the UNICEF activities in Bangladesh and expressed satisfaction at the increasing cooperation of the UN agency with this country.

Prince Talal, who is also the President of the Gulf-Arab Programme, told Prof Huq that in addition to two million dollars already committed to UNICEF for control of diseases in Bangladesh, another amount of two million dollars was also likely to be available for the purpose.

Prince Talal also explained the Gulf-Arab Programme.

Prof Huq expressed happiness to the Prince for selecting Bangladesh among the countries he was visiting first after becoming the UNICEF Special Envoy and chief of the Gulf-Arab Programme.

Prince Talal assured of all possible efforts to mobilise funds to meet the requirements of third UNICEF country programme in Bangladesh.

Prince Talal characterised UNICEF activities in meeting special needs of the disadvantaged groups of society, including the children and their mothers, as an important service of the agency for international peace and prosperity.

Prof Huq conveyed Bangladesh's appreciation for 'this laudable service'.

Prince Talal bin Abdul Aziz al-Saud called on Vice-President Dr M. N. Huda at his official residence on Tuesday evening. They discussed matters of mutual interest.

Princess Mazda al-Sudeiri, Consort of Prince Talal bin Abdul al-Saud made a courtesy call on Begum M.N. Huda at Vice-President's house on Tuesday.

CSO: 4220/7523

FINANCE MINISTER ADDRESSES EXPORT POLICY MEET

Dacca THE BANGLADESH OBSERVER in English 8 Dec 81 p 1

[Text] Finance Minister Mr. M. Saifur Rahman on Monday called for evolving a joint approach to overcome difficulties in the expansion of export trade of the Least Developed Countries and for solving the allied problems.

"We are fighting against an unfavourable international climate, in spite of producing more we get less," he added.

Inaugurating a six-day sub-regional seminar on "Export development, policies, planning and export promotion", jointly organised by UNCTAD, ITC and the Ministry of Commerce of Bangladesh at a local hotel on the day the Finance Minister stressed the need for development of foreign trade with a view to achieving the desired goal of self-reliant economy.

Presided over by Mr. Javed Vafa, Seminar Coordinator, it was also addressed by Syed Amir Khasru, Secretary Foreign Trade Division of the Ministry of Commerce.

Mr. Saifur Rahman said that two distinct trends in the current economic situation spell a dismal prospect for the developing countries in the coming years. The trends are deepening recession and repercussions of price increase on the imports of developing countries. The current account deficit of the developing countries, except those in surplus, was 68 billion collars in 1980 and is expected to be over 90 billion dollar in 1981 mainly due to the deterioration in the terms of trade, The Finance Minister noted. Financing of this payment gap will increase the external indebtedness of the developing countries and more so of the least developed countries, he maintained.

Turning to the participating representatives from Afghanistan, Nepal, Maldives, Laos, Bhutan Samoa and host country Bangladesh, Mr. Rahman said that the general backwardness of the economies of the countries of this region are characterised by chronic and increasing current account deficit. The situation during the last few years has further deteriorated, due mainly to decline in price of our exportable commodities, he said.

Terms of Trade Deteriorates

He said, "We buy three times more than what we export". Though the volume of export in many areas has increased but the earnings have not gone up proportionately,

he said. He said that the terms of trade in Bangladesh has deteriorated in both ways and we are going to fight this continuous deterioration. He said that "90 per cent of our export earning is spent for the import of energy alone." He said that 55 per cent of our export goods comprise of primary goods the price of which fluctuate in the international market.

Citing an example he said the price of frozen fish has come down from 78 cents per pound to 71 cent per pound this year. Similar is the trend in prices of major primary commodities like jute, leather, tea, he said.

Mr. Rahman said the strategies for development of foreign trade aim at expanding production of commodities which are in high demand in the world market. Stressing the need for improving salesmanship, strengthening management and quality control, he said such measures would help augment export performances substantially.

The export earnings of the least developed countries in real terms was about 33 per cent lower in 1980 compared to 1970, he said.

Importance of Cooperation Greater

Syed Amir Khasru said that the importance of cooperation among developing countries, particularly in respect of trade expansion had assumed greater importance than ever. He said with the high rate of interest in the international money market and the remittances for debt servicing, the net transfer on account of Overseas Development Aid (ODA) is hardly more than 33 per cent of the amount placed at the disposal of the developing countries.

Expressing his hope he said that participants at the seminar would come up with recommendations after exchange of views and experiences to the benefit of export planning and export promotion.

CSO: 4220/7522

DEVELOPMENT LOAN AGREEMENT SIGNED WITH FINLAND

Dacca THE NEW NATION in English 11 Dec 81 pp 1, 8

[Text] Bangladesh will receive 25 million Finnish Markh (about Taka 12-crore) from Finland as development loan under an agreement signed here yesterday, reports BSS.

The second loan agreement since independence with the Scandinavian country, is partially tied. It carries an interest of 0.75 percent and is payable in 50 years with a 10-year grace period.

The loan fund will be utilized mainly for procuring distribution equipment for rural electrification programme in Bangladesh.

The first Finnish loan agreement of 13 million Finnish Markh signed in 1975 was later converted into grant, the external resources sources aid .

Mr. A. M. A. Muhith, Secretary External Resources Division and Mr. Risto Hyvarinen, Ambassador of Finland, signed the agreement on behalf of their respective governments.

Finland, an active participant of Bangladesh aid group, provided 10,000 tons of fertilizer to Bangladesh last year as grant. Earlier Finland had converted the value of five thousand tons of wheat into grant.

After the signing, the Finnish Ambassador, who is resident in New Delhi termed the agreement as a good start and visualized more fruitful cooperation between the two countries. He said his country could provide assistance in the field of forestry, port, harbour and dairy.

CSO: 4220/7532

TECHNICAL COOPERATION PACT WITH INDIA SIGNED

Dacca THE NEW NATION in English 10 Dec 81 pp 1, 8

[Text] Bangladesh and India yesterday signed a memorandum of understanding on technical cooperation between the two countries at the Planning Commission in Dacca, reports ENA.

The objective of the memorandum of understanding is to facilitate and streamline the utilisation of technical assistance offered by India, establish a mutually identified pipeline of viable projects.

Besides, it aims at ensuring that on-going programmes of technical cooperation are implemented through a process of government-to-government coordination, monitoring and review.

The two countries agreed to sign the memorandum of understanding on technical co-operation during the UNIDO sponsored solidarity meeting held in Dacca in December last year.

Under the provision of the understanding the coordinating agencies responsible for the implementation of understanding are Indian External Affairs Ministry and External Resources Division of Finance Ministry of Bangladesh.

Indian High Commissioner in Bangladesh Mr. M Dubey and External Resources Division Secretary Mr. A. M. A. Muhith signed the memorandum of understanding on behalf of their respective governments.

CSO: 4220/7532

SATTAR'S LIBERATION DAY MESSAGE REPORTED

Dacca THE BANGLADESH OBSERVER in English 16 Dec 81 p 1

[Text] Nation celebrates the Victory Day today (Wednesday), December 16 with a fresh vow to consolidate national independence and sovereignty and work hard to build a happy and prosperous Bangladesh. On this day 10 years ago the valiant sons of the soil won a nine-month long liberation war and the Occupation Forces surrendered to the Allied Forces.

On this auspicious occasion the nation will remember the supreme sacrifices made by the valiant freedom fighters who wrested freedom from the Occupation Forces for the nine crore people of Bangladesh. Freedom will be meaningful if the fruits of independence reach the doors of common man.

BSS adds: President Abdus Sattar said in Dacca on Tuesday that it was the sacred responsibility of all to help in grooming and flourishing the current process of democracy.

In a message on the eve of the Victory Day, the President said "let it be our prayer on this auspicious occasion of the celebration of the Victory Day that we discharge our duty in this regard unitedly and sincerely."

He pointed out that the consciousness, sense of responsibility, and patriotism shown by the people during the recent presidential election had generated hope at home and abroad about the democratic future of the country.

President Sattar said, that on this sacred day I convey my regards to the memory of those brave martyrs, whose sacrifices has enabled us to earn the independence and sovereignty of the country. The nation would always remain grateful to them, he added.

The President described the bloody days of 1971 as a unique example in the history when the conscious and freedom longing people man and woman, irrespective of religion and creed imbibed with a deep sense of nationalism joined the war of independence with an invincible promise.

President Sattar said that the time had come to consolidate the fruits of victory in every spheres of national life. He pointed out that it was a victory of justice which had no place for complacence and said "it only reminds us of our responsibility and hard work."

President Sattar said, with this urge in mind, the people under the leadership of late President Ziaur Rahman devoted themselves unitedly for attaining development in every spheres of national life through the peaceful revolutionary path initiated two years back. Much progress had already been achieved in the economic, social and political fields as a result of their untiring efforts, he added.

The President extended his "sincere greetings" to his countrymen on the auspicious occasion of the Victory Day and prayed for the blessings of the almighty Allah the merciful.

Our Staff Correspondent adds: Various political, sociocultural, students and youth organisations have chalked out elaborate programmes to celebrate the day in a befitting manner. The national dailies will bring out special supplements highlighting the significance of the day. The Radio Bangladesh and Bangladesh Television will put up special programmes to mark the occasion.

The day has been declared a public holiday. Important public buildings have been illuminated.

President Abdus Sattar will place wreaths at the National Mausoleum at Savar in the early morning today (Wednesday) on behalf of the nation.

The Bangladesh Parisad, Dacca Centre, will hold a discussion meeting at 5.30 p.m. and a session of patriotic songs at its auditorium. Mr. Noor Mohammad Khan, State Minister for Information and Broadcasting will attend the function as chief guest.

CSO: 4220/7526

SATTAR MESSAGE ON PALESTINIAN SOLIDARITY DAY

Dacca THE BANGLADESH OBSERVER in English 9 Dec 81 pp 1, 12

[Text] President Justice Abdus Sattar reiterated Bangladeshis support to the Palestinian people in their heroic struggle for independence and national liberation.

In a message to the UN plenary session on the occasion of International Day of Solidarity with the Palestinian people, President Sattar said the Palestinian situation continues to challenge the United Nations as a major test of its credibility and capacity to preserve peace and security in the world.

The following message was read out by a Bangladesh delegate on behalf of President Justice Abdus Sattar before the UN Plenary session on 27 November on the occasion of the observance of the International Day of Solidarity with the Palestinian people.

"On the occasion of the observance of the International Day of Solidarity with the Palestinian people I on behalf of the Government and People of Bangladesh wish to reiterate our abiding support to the Palestinian people in their heroic struggle for independence and national liberation.

"The Palestinian situation continues to challenge the international community as a major test of the credibility and capacity of the United Nations in pursuit of its fundamental responsibility for preserving peace and security in the world. No other problem has provoked so much thought unleashed so much indignation or polarised the emotions of nations and individuals alike. It is our duty to promote a lasting and durable peace. If the peace has to endure it must be based on justice, and justice demands the redressing of all wrongs done contrary to international law, adherence to the norms and principles enshrined in the United Nations Charter and to the establishment of the fundamental human rights.

"There cannot be any doubt that the people of Palestine are a definite political entity. To ignore their presence is to discount a reality recognised by the overwhelming majority of states and indeed all mankind. Thus, the fundamental element of a durable and permanent Middle East peace revolves around the recognition of the inalienable rights of the Palestinian people to self-determination and to a state of their own in their homeland.

"I take this opportunity to convey deep appreciation of the Government and the People of Bangladesh to the committee on the exercise of the inalienable rights of the Palestinian people for their commendable efforts in projecting the just cause of the Palestinian people".

GENERAL ERSHAD SENDS LIBERATION DAY MESSAGE

Dacca THE BANGLADESH OBSERVER in English 16 Dec 81 p 1

[Text] Lt. General H. M. Ershad Chief of Army Staff and Chief Adviser of Bangladesh Muktiyoddha Sangsad in a message on the occasion of Victory Day paid homage to those valiant freedom fighters, the best sons of the nation who laid down their lives for liberation of their motherland, Bangladesh. He said that except the opposition of some anti-liberation forces the united efforts of the entire nation brought into being independent and sovereign Bangladesh.

The Chief of Army Staff on this day recalled the contribution of those whose sacrifice made this victory possible. He said that the entire nation should pledge today to unitedly implement the spirit, values and objective of liberation war, to remove injustice and corruption from the society, to solve the basic problems of the people so that a happy, prosperous Bangladesh can be built where people can live in peace.

General Ershad further said that among the developing countries Bangladesh has a very bright and promising future. We would march towards establishing our objectives. A happy and prosperous Bangladesh is our hope, he said.

CSO: 4220/7526

AWAMI LEAGUE-M FOR UNITY OF DEMOCRATIC FORCES

Dacca THE NEW NATION in English 16 Dec 81 p 3

[Text]

Awami League (Mizna) on Monday called for unity of all democratic forces on the basis of a minimum programme to oppose dictatorial rule and at the same time attempt to re-establish Bakshi rule, rejected by the people, reports BBS.

The call for democratic opposition's unity came at the end of its two-day extended meeting of central working committee presided over by the party chief Mr. Mizanur Rahman Chowdhury, UP.

In a resolution the meeting said democratic opposition's unity had become essential to oppose the present dictatorial rule as well as restoration of Bakshi rule.

The resolution said the failure of the democratic opposition to unite on the basis of a minimum programme has completely frustrated the people.

The meeting expressed concern at what it called economic bankruptcy of the country, rising prices of essentials and deteriorating law and order situation.

It demanded right of workers to strike under the law of the land, and resolution of labour troubles through discussions to keep the wheels of industry moving.

LEADERS SPEAK AT VICTORY DAY MEETING IN DACCA

Dacca THE BANGLADESH TIMES in English 18 Dec 81 p 1

[Text] President Abdus Sattar on Thursday called for vigilance against intrusion of foreign culture into "our land" and influence on "our own one", reports BSS.

The President was speaking at a discussion meeting and cultural evening organised by the Bangladesh Jatiyatabadi Samajik Sangskritik Sangstha in Dacca at the auditorium of the Shilpakala Academy to Celebrate Victory Day.

President Sattar said, "We must keep it in our mind that Bangladesh is an independent country and its culture has its own entity." The nation should remain alert so that foreign culture could not make intrusion in our country through back-door, he added.

Presided over by the President of the Sangstha poet Al-Mahmood, the meeting was also addressed by Prime Minister Shah Azizur Rahman, Minister for Youth Development, Mr Abul Kashem and the General Secretary of the Sangstha Mr Reazuddin Chowdhury.

President Sattar pointed out that Bangladesh is an independent and sovereign nation and added that its culture must have the reflection of these values.

He said that Bangladesh had become independent 10 years back and added that the nation had already made considerable progress in the cultural fields. "We must carry forward our culture further," he added.

Speaking on the occasion, Prime Minister Shah Azizur Rahman said that the national culture should reflect the hopes and aspirations of the people of this land. Referring to the sense of direction given by the late President Ziaur Rahman for upholding the cultural heritage of the nation, the Prime Minister urged the concerned people to depict "our culture in our songs dances and dramas."

Youth Development Minister, Mr Abul Kashem, recalled the sacrifices made the people of this country to free their motherland and said "today we must take vow to establish an exploitation free society as envisaged by the late President Zia."

The function was attended among others by the Ministers, Members of the Parliament and BNP leaders.

It was rounded off with a dance drama "Ek Dashaker Bangladesh."

BANGLADESH EXPECTS IMF LOAN IN JANUARY

Dacca THE BANGLADESH OBSERVER in English 9 Dec 81 p 1

[Text] Bangladesh is expected to get \$70 to \$75 million from International Monetary Fund (IMF) in January next as Compensatory Financing Facilities are extended to meet the export earning gap in addition to the Special Drawing Rights.

The International Monetary Fund is also likely to withdraw the restriction on Special Drawing Rights shortly.

The 600 million Special Drawing Rights (SDR) was withheld by the IMF for Bangladesh recently for alleged violation of certain conditions. The IMF source said that the SDR for Bangladesh was withheld for resorting to deficit financing and non-development expenditure at an alarming rate.

Bangladesh signed an agreement with IMF last year for an SDR of 800 million equivalent to over one billion dollars to be disbursed in three years. Last year Bangladesh drew 200 million SDR out of 800 million. But remaining 600 million SDR was to be disbursed in the current year and in the next year. Suddenly IMF withheld the SDR for Bangladesh recently. Following the restriction of the SDR the IMF sent a mission to Bangladesh which concluded its study on Monday and left for the IMF headquarters to report back to the board. The board is expected to sign another agreement soon removing the restriction on Special Drawing Rights. The Special Drawing Rights is being provided for meeting the balance of payment gap.

A source close to the IMF mission indicated that the members of the team was satisfied at the use of SDR by Bangladesh. The team also appreciated difficulties faced by Bangladesh in meeting the balance of payment gap which has been widening over the last few years following the world stagflation. While the import bill is rising in the developing countries following the inflation in world market, the export earnings of these countries, including Bangladesh has been declining due to recession in the industrialised countries.

The source further said that the allegation of non-fulfilment of the IMF condition by Bangladesh was not correct. The quantum of deficit financing and non-developing expenditure in Bangladesh was in no way higher than those in other developing countries. The IMF put no restriction on those countries.

Another source close to the Bangladesh Bank said that the IMF team did not press for devaluation of Bangladesh currency. He ruled out the possibility of devaluation of Taka. The Bangladesh Bank source also said the foreign exchange reserve was about 250 crore Taka at present which is likely to improve after the disbursement of the Compensatory Financing Facilities by IMF in January next year.

CSO: 4220/7532

PRESS REPORTS SYMPOSIUM ON RIVER BASIN DEVELOPMENT

Sattar's Opening Speech

Dacca THE BANGLADESH TIMES in English 8 Dec 81 pp 1, 8

[Text] President Mr. Justice Abdus Sattar on Monday emphasised on the cooperation among the regional co-basin states under an institutional arrangement for the comprehensive development of international river basins.

Inaugurating a national symposium on "River Basin Development" at a local hotel, the President reiterated that Bangladesh was firmly committed to the concept of regional cooperation in the development of water resources.

The President said that major river systems of Bangladesh were international in character which had given a new dimension to the problem of river basin development. He felt that the need for all co-basin states to engage in a meaningful cooperative effort for comprehensive development of individual river basin was obvious.

Kazi Anwarul Haq, Minister for Energy delivered the address of welcome at the inaugural session while Mr B. M. Abbas A. T. Former Presidential Adviser delivered the keynote speech on river basin development.

Foreign Delegates

Besides, delegates from Bangladesh, two delegates each from Pakistan, India, Nepal and Bhutan are participating in the week-long symposium.

President Sattar said since individual river basin was most appropriate unit for comprehensive development of water resources a long-term planning would require involvement of all co-basin states so that the needs of the co-basin states were harmonised for the common benefit of all.

He said that Bangladesh was nourished by the three mighty river systems of the Ganges, Brahmaputra and Meghna. From time immemorial, the waters of these mighty rivers had sustained the agriculture fishery, industry and transportation system and in more ways than one "conditioned the life of the people", he said.

He said that comprehensive river basin development was an essential prerequisite for overall economic development. The need for an integrated and comprehensive

development of the individual river basin was "dramatised" by the extreme hydrological events which characterised the rivers of Bangladesh, he said.

The President said while during the monsoon an excess of water frequently caused widespread damage, the low flow condition during lean period limited the prospect of extensive winter irrigation.

He said that rapid population growth in Bangladesh had created an urgent need for increased food production. The role of water resources development to the attainment of food production target by the Second Five Year Plan period end was crucial, he maintained.

Comprehensive Plan Needed

President Sattar said that increasing demand for water resources called for more rigorous application of the planning tool and sound engineering practices in order to ensure that every drop of water was beneficially and productively used. He said that a comprehensive water development plan must aim at reconciling the multi-sectoral demands for water.

He said that a comprehensive and integrated plan was the first major step in the water resource development. But, he said, its objectives could best be attained through scientific and rational water management. "Wasteful use of water in an irrigation system can be avoided; the project performance can be improved through the better cultural practices, farmers' training and creation and strengthening of appropriate support institutions.

Indigenous Technology

The President asked the national experts to keep themselves abreast of new technologies in the water use being developed in an inter-dependent world of today. He also advised them to develop indigenous of the local people.

He noted with satisfaction on technology suited to the genius the achievements of the national research institutions like Bangladesh Rice Research Institute, River Research Institute and Bangladesh Agriculture Research Institute.

The President, however, felt the need for intensifying the efforts for the development of indigenous technologies to a level adequate to provide satisfactory answers to the different facets of problems.

While emphasising the need for bilateral and multi-lateral assistance from the international community to supplement the national efforts for the implementation of water resource development plans, Justice Sattar said, contrary to popular belief water resources development plan required substantial investment.

He said that Second Five-Year Plan and the mid-term food production had placed an unmistakeable priority on water resources development. He hoped that the international community should take due note of our national aspiration.

The President expressed the hope that the symposium would contribute significantly to the formulation of future strategy for water resources development in Bangladesh.

Anwarul Huq

Kazi Anwarul Huq in his address of welcome said that a basin development plan could be undertaken only when all co-basin states engaged in a co-operative effort to attain common purpose.

He said that present global energy crisis had put a strain on the economy Bangladesh and other countries of the region. The Energy Minister said that the mountainous terrain of the upper reaches of the river systems of this region had great potential for generation of the cheap hydro-power which needed to be harnessed for the common benefit of the peoples of this region

B M Abbas

Mr B M Abbas in his key note speech said that individual water projects whether single or multi-purpose could not be undertaken with optimum benefit for the people affected before there was at least the broad outlines of a plan for the entire drainage area.

He said that there was an urgent need for augmenting the dry season flows of the Ganges and Brahmaputra river systems, particularly of the Ganges system whose water was being used up fast in the upper reaches of the river in India.

Mr Abbas said that co-basin states of the region have to make joint and cooperative efforts for the integrated development of the two river basins.

Proceedings on 8 Dec

Dacca THE BANGLADESH OBSERVER in English 9 Dec 81 pp 1, 12

[Text] Great emphasis has been laid on co-operation among the co-basin states in order to bring economic and political benefits to the individual countries on the fifth day of the national symposium on river basin development on Tuesday.

A number of papers presented in both the second and third technical sessions highlighted the augmentation of the dry season flow in the Ganges basin. As the Ganges basin spreads over China, India, Nepal and Bangladesh, the basin development would require greater and closer co-operation among these countries. Conversely, isolated riparians would be sources of conflicts between the countries sharing the Ganges water.

One of the papers suggested the formation of a joint committee or commission of experts from India, Nepal and Bangladesh under a mutually acceptable agreement between the governments of these co-riparian countries. This body would be responsible for the development of the Ganges basin.

The four most important purposes of water for the developing countries are domestic, agricultural, industrial and hydroelectric power generation. Most of the papers

presented on the day held the same opinion of augmentation of the dry season flow not only in the Ganges river but also the Brahmaputra. According to another paper, the unutilised flow of the Ganges during the flood season offers a wonderful prospect of being stored and conserved for augmenting its dry season flow.

Studies unveiled several potential storage sites within the Ganges basin in Nepal and India.

A group of Bangladeshi experts had identified 31 such sites of which 12 had large storage reservoirs totalling 26 million acre feet (M.A.F.). The increase of flow would be 88,000 cusec during the lean season. This flow could be increased up to 130,000 cusec in the dry season. Reports from India also showed an increased flow to the order of 181.480 cusec during the dry season, and part of it could be made available at Farakka. In addition to these 9000 MW hydel power could be generated from the reservoirs and at a low cost. Parallel to the Ganges, the Brahmaputra and the Meghna also plays a vital role in domestic, agricultural, industrial and hydro electric power. Any reduction in the combined dry season flows of these rivers would affect the natural equilibrium and the ecology of the country, another paper warned. Apart from the danger of salinity intrusion, the rivers of Bangladesh are also endangered with the silt. If these continue, studies reveal, the existing dry season flows of the Brahmaputra are not enough to meet even the irrigation needs of India and Bangladesh. Experts feel the Indian scheme for feeding the Ganges from the Brahmaputra via a link canal would be disastrous.

Bangladesh being a plain land has no suitable sites for construction of dams and reservoirs. The mountainous north-eastern part of India as well as Nepal offers a good prospect for the exploitation of water which remains mostly unutilised during the Monsoon. Another viewed that such dams would not only augment the dry season flows but would also ensure irrigation and stop intrusion of saline water navigation generation of cheap hydro power and over and above would lessen the flood problem. Yet another paper had pointed out the deficiency of experts in that they constantly look for new sources of water ignoring the planning of irrigation projects by which a large portion of water are lost. Criticising the experts the paper said they look for costly alternatives like inter-basin water transfer when such major projects are not essential. On a global basis there are 214 river or lake basins that are shared by two or more countries and there are nine river and lake basins which are shared by six or more countries the paper noted. In this context all the papers concluded that it was essential to develop rational guidelines which the countries concerned would accept in principle and follow them for conflict resolution. It is imperative that the governments of India Nepal and Bangladesh shake off any reservations amongst themselves over the Ganges waters issue a paper suggested. There is an urgent need to identify the existing conflicts and international organisations like the United Nations had made little attempts for the resolution despite the fact that such co-operation was very much emphasised in the United Nations water conference in March 1977.

More Papers Presented

Dacca THE BANGLADESH TIMES in English 10 Dec 81 pp 1, 8

[Text] The Ganges waters agreement of 1977 is discriminatory against Nepal as she has been kept out of the agreement by violating a basic principle of international law.

This was stated by Mr. Munir-uz-Zaman, Additional Secretary, Ministry of Irrigation, Water Resources and Flood Control in a paper presented at the seminar on "river basin development" on Wednesday.

In the paper Mr. Zaman examined the agreements between Bangladesh and India on the sharing of Ganges water under the existing institutional and legal framework.

He said that two treaties signed in 1972 and 1977 between the two countries on the sharing of Ganges waters were bilateral in character and there was no provision for accession of other co-basin states. Although, he said, 41 per cent of the total annual flows and 71 per cent of the dry season flows of the Ganges originated in Nepal, she had been kept out of the Ganges waters agreement of 1977.

Mr. Zaman said that the exclusion of Nepal from the agreement was causing practical difficulties in the implementation of the agreement. He said that in accordance with the principle of non-discrimination, any treaty relating to a river basin should be opened for accession by all co-rinarian states. In this context he cited the treaties relating to Mekong, Niger, lake and Chad rivers.

He said that the Ganges water agreement of 1972 protected all existing upstream uses in India since it was only the residual flow available at Farakka to be shared by the two states. But the agreement, he said, did not fully protect the existing uses in the downstream in Bangladesh.

Mr Zaman said that the inadequate provision for settlement of disputes was yet another deficiency of the two Indo-Bangladesh water treaties.

He, however, said that agreements signed between Bangladesh and India on Ganges water sharing were the products of constructive political will of the two neighbouring states and reflected a mutuality of interests in harnessing the water resources for their common benefit.

Two more papers were presented by Prof R D Hayton (USA) and Mr Dante Caponera.

Hayton

Prof R D Hayton in his paper on "the law of international water systems" said that international water resources law had not reached its full maturity. But, he said, a number of basic principles and certain number of rules had achieved the status of legal norms.

Mr Caponera in his paper on "international river law" said that the practical implementation of the principles embodied in the Helsinki rules required a close co-operation between states sharing an international drainage basin. Such cooperation, he said, could only come about necessarily through the setting up of a common institution.

He said that in any case, no basin state was entitled to impose unilaterally its views on the rights of the other basin states concerning a just and equitable share in the beneficial use of the waters of the international drainage basin.

Mr Caponera felt that all basin states should have in view not only their own national interests but those of the basin community as a whole. Such cooperation must necessarily be established through appropriate international administrative machinery, he said.

Recommendations Reported

Dacca THE NEW NATION in English 11 Dec 81 pp 1, 8

[Text] The 4-day national symposium on river basin development ended here last evening with the recommendation for setting up two joint committees involving Nepal, Bhutan, India, China and Bangladesh to consider separate development of two river basins the Ganges and the Brahmaputra through regional cooperation, reports BSS.

According to the recommendation, one joint committee will comprise Nepal, India and Bangladesh for the Ganges basin and the other with China, India, Bhutan and Bangladesh for the Brahmaputra basin.

Presided over by Mr. L. K. Siddiqui, Minister for Irrigation, Water Development and Flood Control, the concluding session also suggested the two joint committees to co-ordinate in the collection of data, exchange of information and equitable joint management and development of the water resources of the two basins.

Sponsored by the Ministry of Irrigation, Water Development and Flood Control, the national symposium was participated by 170 delegates, including 29 from abroad. The delegates from abroad included eminent internationally known water and legal experts and participants from India, Pakistan, Nepal and Bhutan.

Discussions were held in four technical sessions--three on the technical aspects of river basin development and one on the legal aspects.

The panel of experts on river basin development in its recommendations said 'useful information and views' on topics of the Ganges basin and the Brahmaputra basin development emerged from the papers presented at the symposium and the discussions.

The national symposium also made 10 other recommendations which said:

- A national water plan for Bangladesh should be formulated to fulfill the need of both long-term and short-term objectives.

- A policy analysis study should precede and accompany the formulation of the national water plan.

- A unified system for collection, storage, retrieval and analysis of data be established.

- Social, economic and environmental aspects should be given due importance.

- Steps should be taken to reduce water losses through rational water management practices.

--Systems analysis and computer technology should be used intensively and indigenous expertise developed in these fields.

The different disciplines engaged in river basin development should work together, appropriate action may be taken to develop such multi-disciplinary teams.

Further analysis of the hydrological data should be carried out for the elaboration of the national water plan. The studies should include, inter alia:

I) Optimum expansion of irrigation facilities through conservative development and utilisation of the water.

II) The effects of embanking as a means of protection against river floods.

III) The relationship between surface and groundwater along the water courses specially during low level condition and floods.

IV) The tidal propagation, the related changes in morphology resulting from closing of river reaches and connections, imponderings and changes in the upland discharges. (v) The salinity conditions in the lower reaches of the rivers to predict the effect of hydraulic works in the delta and the variations in the upland discharges.

The proceedings of the symposium should be published for wide dissemination. Follow-up symposia should be held and study tours arranged to different countries having similar problems.

Co-operation from international agencies including UNDP and ESCAP may be sought for the implementation of the above recommendations where necessary.

CSO: 4220/7531

BANGLADESH CONDEMNS ANNEXATION OF GOLAN HEIGHTS

Dacca THE BANGLADESH OBSERVER in English 16 Dec 81 p 1

[Text] Bangladesh on Tuesday strongly condemned Israel for its sinister move to perpetuate its illegal occupation of Golan Heights as a blatant violation of international laws canons and conventions, reports BSS.

Foreign Minister Prof M. Shamsul Huq in a message sent to U.N. Secretary-General Dr. Kurt Waldheim described the Israeli move as an act of unwarranted provocation.

Expression great consternation about the Israeli move to perpetuate its illegal occupation of the Golan Heights by a Cabinet decision to apply Israeli law to the area Prof. Huq said such a provocative and illegal action was bound to further aggravate the already explosive situation in the Middle East.

In the interest of international peace and security Prof Huq urged the UN Secretary General to take an immediate action within the UN Charter to ensure that Israel desisted from such fraudulent and dangerous move.

The Foreign Minister said the Israeli move in no way could have any legal validity but was bound to be viewed as an act of the gravest provocation and international piracy.

Bangladesh he said strongly condemns this sinister move of Israel as an act of unwarranted provocation and blatant violation of all international laws canons and conventions.

Our Staff Correspondent adds: Mr Ferdous Ahmed Qureshi, Joint Secretary General of Bangladesh Nationalist Party (BNP) in a statement to the Press on Tuesday expressed solidarity with the people of Palestine. He also called upon the Arab leaders to declare crusade against imperialism and Zionism sinking all differences among them. He assured that the 90 million people of Bangladesh will take part in the crusade.

Mr Ferdous Qureshi condemned the Israel's total control over Golan Height and termed this action as act of betrayal to the cause of the Palestinian people.

BNP REBELS UNHAPPY OVER AUTHORITARIANISM

Dacca HOLIDAY in English 6 Dec 81 pp 1, 8

[Article by Mahmud Rashid]

[Text] The 42-member cabinet of President Sattar is likely to be cut to size before long, it is learnt from a highly-placed source. About half a dozen ministers may be axed in the course of this exercise for which discussions and preparation are already afoot. The source, however, ruled out the possibility of inclusion of new faces as replacements.

This new development in the government is consequent upon the parley between President Abdus Sattar and Chief of Army Staff Lt. General H. M. Ershad held on December 3 at Atrashi, the mecca of Bangladesh politics for some years.

It is gathered that the impasse arising out of the demands put forward by the Army Chief through a rather spectacular press statement was finally ended at Atrashi during the visit of President Sattar in the company of Lt. General Ershad. The demands related to the limiting of the size of the cabinet, removal of ministers against whom charges of corruption are being investigated, and the military's expanded role in the administration of the country.

While the contradiction between the President and the army chief appears to have been resolved albeit with a kind of divine intervention, the BNP itself is getting jittery over what they call authoritarianism of the leading member of the present power-group including the President himself.

The distance between the President and different lobbies in the BNP is reportedly widening alarmingly.

The office bearers of the BNP and the members of the standing committee were due to meet December 4 at the old Gonobhobon. The meeting was postponed by the acting secretary general at the eleventh hour.

It is gathered that trouble would come with the meeting, and enough of it. It is learnt that a section of the office-bearers of the BNP planned for a show down in that meeting on the question of what they described as arbitrary appointment of Shamsul Huda Chowdhury as the acting secretary general.

They hold that in the absence of the secretary general, the joint secretary general performs the duties of the secretary general according to the party's constitution.

The disgruntled BNP leaders are now holding regular meetings to watch and review the developments in the party and to work out the future course of action, if any, to resist what they call authoritarian decisions of the new President and attempts by a quarter in the party to arrogate to itself all organizational power.

Ferdous Qureshi, joint secretary general of the BNP, is learnt to be frantic in his bid to protect his status with the aid of the disgruntled BNP leaders.

Meanwhile many MPs of the ruling party have threatened to resign if the present situation is allowed to continue in the party. Faizul Huq, MP from Barisal, had actually submitted his resignation letter, but later, withdrew it under persuasion.

They allege that the politics of the BNP under the leadership of President Sattar have drifted away from the politics of balance and conciliation pursued by late Ziaur Rahman.

'Rebels'

The rebel MPs have also become active in recent days. Shafiqul Ghani Swapan, Moudud Ahmed, Hamidullah, Mirza Halim, Abdul Huq, Kamran Choudhury and some others met on December 2 to discuss the post-election developments in the party and their future course of action. They contended that the Shah Aziz-led rightist group has scored a complete victory in asserting themselves in the making of all important decisions.

Deputy Prime Minister Jamaluddin Ahmed Abul Hasnat and Abdul Alim, the other group within the right faction, is also having parleys with the rebels.

The BNP MPs coming from the BNP lobby are openly resentful of the activities of the President. The dropping of Deputy Prime Minister Bari and two state ministers from the new cabinet have made them apprehensive that President Sattar and his lieutenant are bent upon driving them to the wall.

The axed ministers have, meanwhile, started maneuvering frantically to project their strength. Obaidur Rahman seems to have taken the lead. He organized a series of meetings in different parts of Faridpur to protest his dismissal and mount pressure on the President to reinstate him.

Besides, he called on S. A. Bari who also lost his Cabinet position and other sacked ministers in an effort to build up a pressure lobby for their induction in the council of ministers afresh. He has also made contacts with the rebel group in the BNP.

S. A. Bari is also in the field to muster strength, but in spite of his efforts his old colleagues are showing reluctance to rally under his leadership. They are now on the lookout for a new leader to steer their lobby.

The first council meeting of the ruling party's student wing will take place today at the premises of the Old Gonobhobon.

The disgruntled factions on the BNP are backing Enamul Karim Shahid and Omar Faruq Bhuiyan as president and secretary of the organization, and Prime Minister Shah Azizur Rahman and other stalwarts support Shamsul Huq and his panel for the leadership of the BNP's student front.

CSO: 4220/7520

REPORTER ALLEGES INDIAN 'PIRACY' OF GANGES WATERS

Dacca THE NEW NATION in English 7 Dec 81 pp 1, 8

[Text]

Foreign Ministers of Bangladesh and India are likely to meet sometime next month in Dacca apparently with no solution in sight on the vital issue of long-term sharing of the Ganges water between the two neighbouring countries.

Though no date has yet been fixed for the talks between Prof. Shamul Haq and his Indian counter-part Mr. Narasimha Rao, the two governments are in touch with each other to finalise the date.

The forthcoming Foreign Minister level meeting is expected to be crucial as the two countries would have to find a solution to the quarter century old problem particularly before the scheduled date of expiry of the agreement for short term sharing on November 4 next year. The agreement was signed four years ago with the provision that both the countries would work out a permanent solution for sharing of the Ganges water.

Though four years have already elapsed since the signing of the agreement on November 4, 1977, the governments of Bangladesh and India are yet to make any efforts towards a permanent solution of the problem.

Meanwhile, the water level in the Padma (Ganges) fell alarmingly to 26.35 feet at the Hardinge Bridge, Faksey-Bheramara, for alleged "illegal piracy" of water in the upper

reaches beyond the Farakka Barrage point by India. This withdrawal of water caused the sudden fall in the water level in the lower riparian country Bangladesh adversely affecting her irrigation and agriculture as well as navigation.

At Faksey-Bheramara, the flow of the river came down to 1,43,000 cusecs from the flow of 7,47,000 cusecs in early October this year according to the latest recording by the Water Development Board. The fall in the water level caused serious threat to wheat cultivation in 50,000 acres in the Ganges-Kobadek project area.

The authorities concerned were learnt to have lodged protest with the Indian counterparts against "illegal piracy" of the Ganges water at different points of the 1100-mile long Indian route of the common river that begins from the Himalayan kingdom of Nepal.

Both Bangladesh and Indian governments held the last ministerial level meeting in April to review the situation with regard to sharing of the Ganges water. The review-meeting however, failed to take note of the correct situation because of contradictory reports from the Indian side.

Meanwhile, India was learnt to have undertaken as many as 200 projects all along the Ganges route for irrigation facilities with

the motive of depriving Bangladesh of her legitimate share of water of the common river. On the plea of owning the Ganges' major part, India insists on having "preponderating share" of its water as the Ganges flows 1100 miles through India and 100 miles through Bangladesh before it terminates into the Bay.

According to available records, the 80 per cent sharing of the Ganges water by Bangladesh as envisaged in the short-term agreement against 20 per cent by India has been adversely affected following the water piracy beyond the Farakka Barrage point. As a gesture of friendship and good neighbourliness, Bangladesh agreed in 1977 to allow India to have 10 000 cusecs more with the hope that a permanent solution would be found out to the thorny issue.

Like the barrage over the Ganges, India has plan to have many more "Mini-Farakka" over other border rivers like Gumti, Monu and Kushiara while she has already completed a similar barrage over the river Teesta in order to deprive Bangladesh of her share of water of the common rivers.

In addition to this, India by constructing groynes in rivers like Muhuri and Kushiara has been trying to divert the river course in order to create problem for implementing the 1974

land boundary agreement between the two countries.

The forthcoming foreign ministers' meeting is expected to devote fully to all these problems with a view to finding permanent solutions. India's mere slogan of solving the sharing of water issue bilaterally with Bangladesh has no prospect at least so far the augmentation of the Ganges flow is concerned.

Bangladesh is learnt to have emphasised on creating reservoir in Nepal for augmenting the Ganges flow in the dry season and for that she has asked India to

include Nepal in the effort. Meanwhile, Nepal also is keen to join Bangladesh and India for collective efforts to develop water resources in this south Asian region as she expressed already her willingness several times.

Again with the same plea Indian External Affairs Minister Narasimha Rao visited Kathmandu last week to seek solution bilaterally with Nepal for sharing the common rivers—Karnali, Kosi, Pancheswar, Rapti etc.—some of which are tributaries of the Ganges.

CSO: 4220/7521

BRIEFS

ISLAMIC BANK LOAN--Jeddah, Dec. 8--Bangladesh will receive eight million dollars from the Jeddah-based Islamic Development Bank (IDB) to import crude oil from the United Arab Emirates, (UAE), under an agreement signed here today, reports IINA. The agreement was signed by the President of the bank, Dr Ahmed Mohamed Ali and the Financial Director of the Oil Corporation of Bangladesh Mr Nurul Haq. The bank also agreed today to lend Niger five million dollars for importing jute from Bangladesh. [Dacca THE BANGLADESH TIMES in English 9 Dec 81 p 1]

INDIAN ESPIONAGE PROTESTED--Bangladesh Jatiyatabadi Sechhasebak Sangathan at a meeting at BNP central office on Tuesday protested against "Indian espionage" in Bangladesh. The meeting, presided over by Mr Salam Kibria Tipu, Vice-President of the organisation, was addressed by Messrs Enamul Karim Sabu, Sheikh Sirajul Islam, Rafiq Sikdar, and Khandakar Mostaque Ahmed of the central committee of the organisation. They urged the government and the people to keep vigil on such espionage activities against the independence and sovereignty of the country and to take appropriate measures against those, said a Press release. [Dacca THE BANGLADESH TIMES in English 16 Dec 81 p 1]

IMF OFFICIAL'S VISIT--Finance Minister Mr Saifur Rahman on Thursday underscored the adverse impact of recession in major developed countries on the balance of payment position of least developed ones like Bangladesh, reports BSS. Talking to the visiting Executive Director of IMF Mr M Narasimham, the Finance Minister also touched on the economic situation in Bangladesh and various measures adopted by the government in the fiscal monetary and external sectors of the economy of the country. The IMF official had called on the Finance Minister at the latter's office. The IMF Executive Director described the measures and policy initiatives of the government in fiscal, monetary and balance of payment matters as realistic and appropriate in the context of prevailing economic situation in the country and global economic outlook. Mr Narasimham is the IMF Executive Director for Bangladesh, India and Sri Lanka. [Dacca THE BANGLADESH TIMES in English 18 Dec 81 p 8]

IDA CREDIT APPROVED--Washington, Dec. 17 (Reuter)--The World Bank said yesterday its affiliate, the International Development Association (IDA) has approved a credit worth 100 million dollar to Bangladesh to help improve agricultural production and marketing. The credit is equivalent to 87.4 million Special Drawing Rights, a denomination used by the World Bank, the International Monetary Fund and their affiliates. The Bank said the credit would be used to import raw materials, equipment and spare parts, fertilisers, pesticides and diesel fuel for irrigation

pumps, goods that are essential for the operations of industrial enterprises and to farmers. This is the tenth IDA credit to Bangladesh in a programme to support government policies to improve the economy. The credit is for 50 years, with 10 years of grace period. It will bear no interest but will carry a service charge of threequarters of one per cent annually, the bank said. [Dacca THE NEW NATION in English 18 Dec 81 pp 1, 8]

NEW YUGOSLAV AMBASSADOR--The Ambassador-designate of Yugoslavia Mr. Gustab Zadnik presented his credentials to President Abdus Sattar at Bangabhaban on Tuesday morning reports BSS. Presenting his letter of credence the new Yugoslav envoy said that the existing bond of cooperation and friendship between the two countries established by the late President Ziaur Rahman and late President Tito would be strengthened further in the coming days. Reciprocating the sentiments President Sattar assured Mr. Gustab Zadnik of all possible cooperation during his tenure in Bangladesh. [Dacca THE BANGLADESH OBSERVER in English 9 Dec 81 p 12]

ENVOY TO SIERRA LEONE--The Government has decided to concurrently accredit Sheikh Tayebur Rahman, at present Ambassador of Bangladesh in Dakar, as High Commissioner to Sierra Leone, says a PID handout. [Dacca THE NEW NATION in English 11 Dec 81 p 8]

CSO: 4220/7533

GOVERNMENT STRIVES TO IMPROVE IMAGE ABROAD

Madras THE HINDU in English 4 Dec 81 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Dec 3

A vigorous drive to improve India's image abroad is being planned by the Government to create a better understanding of the country's political policies, economic achievements and social aspirations.

An entire session of the informal consultative committee of Parliament attached to the External Affairs Ministry was recently devoted to this perennial problem, because of the prevailing impression that India continues to get a bad press in the Western world largely due to an inadequate projection of the country's views on various issues.

Though India has learnt to live with this problem, it is conveniently forgotten by the critics that publicity is no substitute for policy in carrying conviction about the validity of the country's stand over any important development.

Need to clear misconceptions: A better publicity effort cannot by itself evoke a sympathetic response, unless the policies are designed to promote the desired understanding by dispelling the misconceptions.

The media play an important part in the Western countries in moulding public opinion and to some extent even influencing official thinking on controversial issues. But the great advantage in dealing with the Western media is that foreign countries have access to them in putting across their points of view to dispel criticism based on inadequate information.

Prejudice: The real difficulty arises in dealing with antagonism generated by prejudice rather than ignorance when

a big power like the U.S. feels that India is over-stepping the limits of its tolerance and adopting policies that are completely at variance with its own attitudes.

It is this aspect that continues to bedevil India's efforts to project its point of view with better impact, since it has to cope with resentment spilling over from the inner recesses of foreign Governments to the columns of newspapers and into the news broadcasts of radio networks and television services.

The Indian experience has been that it is almost impossible to reason out with the Western media on issues like Afghanistan and Kampuchea which arouse considerable passion, while it is not too difficult to put across the Indian views on the nuclear question or the arming of Pakistan.

Opposite views: The impression has prevailed in the West over the years that, rightly or wrongly, India tends to take almost instinctively a diametrically opposite view on practically every issue of concern to it.

The Government, however, feels that a lot can still be done, within the parameters of the prevailing misconceptions, to explain the rationale behind India's approach to various problems. It can also create greater awareness of the country's achievements in different spheres without indulging in any extravagant claims.

As a victim of sustained misinformation, India has also reason to believe that those who are interested in pillorying it are not open to conviction. The most sensitive sphere where it is not easy to get its point of view across to

the West is the nature of its relationship with the Soviet Union.

But it is possible to explain with a measure of success the Indian thinking on issues like Indo-Pak and Sino-Indian relations, the reasons for its objections to the super power rivalry in the Indian Ocean, the positive aspects of non-alignment, the reasons for the IMF loan and the country's efforts to improve its living standards through increased self-reliance.

The Prime Minister's visits abroad help to focus attention on India's achievements, while providing an opportunity to articulate the country's views more effectively on controversial international issues.

Role of Indian missions: But even otherwise the Indian diplomatic missions should be able even with their limited staff to explain adequately the country's secular character and traditions of religious tolerance, the efforts to cope with the rising expectations of its people and its varied achievements in the industrial, agricultural and scientific spheres within a span of less than 35 years since Independence.

The External Affairs Minister, Mr. P. V. Narsimha Rao, has been giving serious thought to all these aspects of external publicity in close consultation with the Prime Minister who is equally concerned about the bad press that India continues to get abroad for whatever reason. And in attempting to step up the effort, the accent is on putting the limited resources to better use, without blaming other countries or looking around for scapegoats at the headquarters in Delhi or in the Indian missions.

DEVELOPMENTS IN COOPERATION WITH FRANCE REPORTED

French Technology Minister's Visit

Bombay THE TIMES OF INDIA in English 9 Dec 81 p 1

[Text] New Delhi, December 8--India and France today agreed that there was considerable scope for further strengthening bilateral co-operation in the field of science and technology.

The visiting French minister for research and technology, Mr. Jean-Pierre Chevenerment, called on the Prime Minister, Mrs. Indira Gandhi, and the two leaders discussed in general terms the progress of joint efforts in science and technology. Mrs. Gandhi appreciated the French collaboration in this regard.

The subject of India's relations with its neighbours also came up during the talks and Mrs. Gandhi mentioned that India had been following a policy of friendship, sometimes even when there was no response from the other side. India had persisted in its efforts to promote peace and friendship.

The French minister said he was deeply impressed by the scientific and technological advances in India and by the way technologies were being integrated with social conditions in this country.

Earlier, the French minister told newsmen that France was always prepared to assist India in all areas of scientific activity, including nuclear energy.

It was the declared policy of France to help any country wanting to exploit nuclear energy and to oppose proliferation of nuclear weapons.

He said nuclear co-operation between France and India had slowed down, of late, perhaps because of India's increased capabilities.

Referring to the proposal for an Indo-French institute for advanced research, he said it would be set up soon. The proposal was discussed by the two sides during Mrs. Gandhi's recent visit to Paris.

The French minister identified the main areas of further collaboration as energy, electricity, telecommunications, electronics and space research. He said France would welcome India's participation in the French space technology projects in third countries.

In reply to questions in the mirage deal, he said that some technical matters were being sorted out and there was no hitch.

The French minister also had talks with Mr. C. P. N. Singh, minister of state for science and technology. Yesterday he met the external affairs minister, Mr. P. V. Narasimha Rao, and Prof. Nurul Hasan, vice-president of the Council for Scientific and Industrial Research.

Pace-Setting Relationship

Bombay THE TIMES OF INDIA in English 9 Dec 81 p 8

[Article by Subhash Chakravarti]

[Text] A new relationship between India and France may set the pace in reducing the dependence of middle powers on the super powers.

A sharper understanding of the realities of the current pulls and pressures in the power game and a better grasp by both countries of the advantage of forging new economic links have brought them closer together. This was demonstrated in good measure during Mrs. Gandhi's recent visit to Paris.

This is the first instance of a major exercise in forging cooperation in diverse fields between a developed country in the West and India on the basis of a shared anxiety to enlarge the area of peace and economic well-being.

The factors which have impelled France to seek large-scale cooperation with India are equally relevant to other West European countries. No country today can play a major role in world affairs without a large economic base. Even France, with its economic clout, needs a country of India's potential to develop a new model of co-operation between the South and the North.

This realisation did not come to France as smoothly as it is sought to be made out. Notwithstanding its achievements in technology and particularly in agriculture, the significance of the Indian experiment has been under-rated by both the conservative and radical establishments in the West. This tendency was strengthened by the promise held out by the new Chinese leaders of opening up their country to the West to make up for the lost years in development.

Hopes Dashed

There is no gainsaying the fact that most of the Western countries, and France even more than the others, were dazzled for some time by the vast potential market for their goods in China. But it did not take long for their hopes to be disappointed. Even in the armament field, which is being accorded a high priority by the Chinese leadership, the scope for business beyond the point of straight sale is admitted in Paris to be limited. Informed French sources make no attempt to conceal the fact that unlike India, the technological capacity of China is not developed enough to establish manufacturing facilities for a sophisticated fighter-bomber plane like Mirage-2000. President Mitterrand's commitment to a major role in augmenting co-operation between the developed industrial countries of the North and the

developing countries of the South is indeed inspired more by pragmatism than idealism. As he explained in an interview to this paper last month, cooperation between India and France could be turned into an instrument for developing closer cooperation with other third world countries. France has selected India, Mexico and Algeria for practical and historical reasons as its new partners in the South to promote cooperation with the rest of the third world.

This marks a departure from the traditional French policy which, until recently, has accorded the top priority to ties with Francophile African and Latin American countries. Though even the present level of exchanges between India and France, both in economic and defence fields, is quite high, Mr. Mitterrand's policy will make a qualitative difference to the relationship between the two countries.

It must be said for President Valery Giscard d'Estaing that he was keen on developing closer economic relations with India as was clear from the agreement between the two countries on the alumina project. But while the earlier relationship was based purely on calculations of commercial loss and gain, Mr. Mitterrand is keen to give it a new ideological slant.

Welcome Change

In fact, those close to President Mitterrand maintain that the recent nationalisation of ten key industries in the country, even if controversial to the extent of provoking flight of capital from France, would eventually facilitate transfer of technology to a country like India. They argue that an agency representing a government-owned industry would feel more confident in negotiating with a public sector organisation than a private entrepreneur. Finance ministry circles in Paris point to the success of the collaboration arrangements made by the Renault car company, which was nationalised as early as in 1945, with several countries including Mexico. This company is in fact seeking a collaboration agreement with Maruti, which is now in the public sector, to manufacture a passenger car which will be a combination of Renault-9 and Renault-12. The French company, besides offering transfer of technology, is willing to invest capital in the project.

It is perhaps unavoidable that the proposed Mirage-2000 deal, which has still to go through several sensitive scrutinies including the financing mechanism and the adjustments in the weapon delivery system, continues to attract greater attention than the wider areas of collaboration identified during Mrs. Gandhi's visit to Paris. But these, too, deserve attention. Prominent among these is a proposed collaboration in raising, with the aid of French technology, the productivity in India's collieries for export of coal to France. While the French oil company, CFP, is already engaged in assisting the oil and natural gas commission here to substantially augment its production from 'Bombay High', France has offered collaboration in the whole field of energy. The French government is also interested in bringing advanced tele-communication technology to India.

But curiously enough, there has been a tapering off of interest in cooperation between the two countries in the nuclear field. At one stage Indian scientists were trained in France in the fast breeder technology. It is now acknowledged in Paris that no new collaboration arrangement is under consideration.

The welcome change in the Franco-Indian relationship needs to be viewed in the context of the marked shifts in both domestic and foreign policies under the Socialist regime in France. Not everything is going the way the regime would like. The inflation rate at 14 per cent gives cause for acute anxiety. So does growing unemployment which has touched a new high. The budgetary deficit is also a cause for much worry. The working class is still solidly backing the government. But the middle class is feeling somewhat alienated. It is beginning to share the forebodings of the industrial establishment which feels that it is being beleaguered by a president who is threatening some of the gains achieved during the previous conservative dispensation.

The socialists' coalition with the communists, in spite of President Mitterrand's continued dislike for them, has to be viewed in this context. The President has been pragmatic enough to strike a deal with the communists largely to keep the solidarity of the working class in favour of his domestic policies. A dose of radical measures introduced in the shape of nationalisation of ten key industries, including banking, has placed the communists in a position where it will be embarrassing for them to disrupt the coalition. That is why they remain in the government despite Mr. Mitterrand's strident disagreement with them on foreign policy, particularly in respect of European security and the American proposal for deployment of Cruise and Pershing-2 missiles. The fact of Mr. Mitterrand's anxiety in restoring the so-called balance of power between the West and the Soviet Union in Europe cannot be covered up. Indeed, he is not even trying to cover it up. From the point of view of his communist partners, he is closer in his thinking to Mrs. Thatcher and President Reagan than any other West European leader today.

At Variance

As on the issue of European security, Mr. Mitterrand's stand on the Afghan question as well is at variance with the policy of his predecessor, Mr. Giscard d'Estaing. The thrust of Mr. Mitterrand's policy is an emphasis on vacation of what he calls Soviet presence in Afghanistan. But it is not without significance, that while giving an interview to this paper, he chose to slur over the Afghan question. We can only speculate on the reasons for it.

Sources close to President Mitterrand give the impression that the Franco-Soviet relationship could not be the same as before after the Soviet intervention in Afghanistan. In the reckoning of the new French regime the developments in Afghanistan have drastically changed, if not destabilised, the entire region. But the hard line taken by it on Afghanistan and other issues concerning security need not necessarily impinge on its bilateral relations with India. In point of fact, the French policy planners see the possibility of India and France at some stage taking the initiative in impressing upon the Soviet Union the need to remedy the Afghan situation. They feel that India and France could hopefully play a major role in bringing all the parties in Afghanistan to the negotiating table.

INDIAN, EGYPTIAN FOREIGN MINISTERS SPEAK AT BANQUET

New Delhi PATRIOT in English 10 Dec 81 pp 1, 7

[Text] External Affairs Minister P V Narasimha Rao on Wednesday expressed India's conviction that a just and comprehensive peace in West Asia could emanate only from a settlement ensuring complete vacation of Israeli aggression and helping to undo the injustice on the Palestinian people.

Speaking at a banquet he hosted for visiting Egyptian Minister of State for Foreign Affairs Boutros Ghali, Mr Rao reaffirmed that restoration of the Palestinians' rights, including establishment of an independent state of their own, must be an essential component of any settlement.

"We also believe," Mr Rao underlined, "that the PLO, as the sole representative of the Palestinian people, must participate in any peace negotiations. We hope that a solution of the West Asia question on these lines will be found before long".

He clarified that it was an integral part of India's foreign policy objectives to "support, consistently and as a matter of principle, the Arab cause".

This lucid exposition of the Indian stand on the West Asian problem clearly distinguished this country's position from that of Egypt on this very vexed question. The distinction came out boldly in Dr Ghali's speech despite his assertion that the Egyptian move was also in defence of the Palestinian cause.

Egypt's Stand

Dr Ghali reiterated that "Egypt will continue the peace process" began by the late Anwar Sadat's visit to Jerusalem in 1977 and hoped that this would lead to the "comprehensive, just and durable peace and enable the Palestinian people to exercise their right to self-determination and independence in accordance with the relevant resolutions of the United Nations".

Mr Rao, in his speech, dwelt on tensions in the neighbourhood of India. 'For us in India' he said, "it is a matter of particular concern that the frightening tendencies towards a renewed cold war should manifest themselves at our very doorstep".

He spoke of attempts being made by "great powers" to exploit local conflicts for pursuit of their global designs, and held that "in that process, smaller countries

in the region are in danger of becoming pawns in a game which, far from subserving their own national interests, act to their detriment".

"It should be our joint endeavour as peaceloving countries and as members of the non-aligned movement, to keep our part of the world free from the tension which is inevitably consequent upon the strategic involvement of outside powers", he observed, adding 'the repercussions of such confrontation we can ill afford".

Both the Ministers referred to the important role the non aligned movement was playing in world affairs.

Earlier, official level Indo-Egyptian talks were held to review the world situation with special emphasis on West Asia, and to discuss bilateral relations between the two countries.

Dr Ghali said New Delhi was the first Capital the new Egyptian President Hosni Mubarak had asked him to visit for explaining the present government's policies and objectives. This showed the importance Egypt attached to non-alignment Third world unity and relations with India.

He reaffirmed Egypt's commitment to its traditional policy of non-alignment and talked about his present perceptions of West Asian developments. In this context, he mentioned the Israeli withdrawal from the Sinai.

Mr Rao in turn spoke of improving bilateral ties and referred to strengthening air links well as trade relations between them.

CSO: 4220/7516

REDDY ACTIVITIES ON INDONESIA, NEPAL VISITS

Jakarta Banquet

Bombay THE TIMES OF INDIA in English 4 Dec 81 p 1

[Text] JAKARTA, December 3 (UNI).

PRESIDENT Sanjiva Reddy today called for increased co-operation and "meaningful consultations" among countries of the Indian Ocean region to counter the deteriorating security situation.

Speaking at a banquet in his honour by President Suharto of Indonesia, Mr. Reddy expressed concern at the massive induction of sophisticated arms into the region by the super powers — a development "which can only heighten the sense of insecurity in the area."

Mr. Reddy further noted the naval build-up in the region. "Co-operation and meaningful consultations among countries of our region is perhaps the best way of countering these developments and of ensuring tranquility and balanced growth in the area," he said.

India and Indonesia were bound

by a common cultural heritage, aims and objectives, Mr. Reddy said. "Both of us face similar geo-strategic challenges in the waters surrounding us," he said, observing: "Geographically, India begins where Indonesia ends."

Close co-operation and mutual assistance, would help the two achieve these objectives and face the challenges better, he added.

"We wish to become modern, our societies to become just and prosperous and our people to become united. And we wish to achieve all these without sacrificing the essentials of our cultural heritage or our democratic freedom," President Reddy said.

Viewing the world economic scene with alarm, Mr. Reddy said, developing countries were hard hit by the "growing trends of protectionism" among the developed countries. Though some steps had been taken in the North-South dialogue, tangible results were yet to be achieved.

In this respect, close co-operation between India and Indonesia, representing a fifth of mankind, could

become a model for other countries of the region, he said, offering to a place at the disposal of Indonesia technical skills, knowledge and experience acquired by India over the years.

The visit of the Prime Minister, Mrs. Indira Gandhi, to Indonesia last year, Mr. Reddy said, had highlighted the fact the two countries had now entered "an era of high mutual expectations from our increasing bilateral co-operation."

P.T.I. adds:

Mr. Reddy was accorded a warm and colourful welcome on his arrival here on a five-day first state visit to Indonesia.

President Suharto and Madame Suharto received President Reddy and his wife, Mrs. Nagarathamma Reddy, at the Jakarta international airport.

Despite an overcast sky and slight drizzle earlier in the day, a sizable number of people, including Indians, waved and cheered the President as he alighted from an Air-India Boeing Lhotse, to the booming of 21 guns.

Speech at Katmandu Banquet

Bombay THE TIMES OF INDIA in English 8 Dec 81 p 9

[Excerpt]

KATHMANDU, December 7

(PTI).

THE President, Mr. N. Sanjiva Reddy, stressed today that India attached the highest priority to its relations with friendly Nepal, "which are multi-faceted and extensive."

He was confident that these relations, based as they were on mutual respect and understanding, would continue to grow "in a spirit of trust and goodwill."

The President, who was speaking at a banquet hosted in his honour by King Birendra, said the fact that "our two countries can discuss bilateral issues in a frank and friendly manner enables us to conduct our relations within a realistic framework."

The President referred to political developments which Nepal witnessed in recent times "leading to certain important changes."

The consolidation of the changes, he hoped, would undoubtedly meet the hopes and expectations of the people.

HOPE & EXPECTATIONS

Every country has to evolve its own form of government based on a national consensus, which would be the most appropriate for achieving stability and progress, President Reddy added.

President Reddy assured Nepal of his country's commitment to the kingdom's development although the present international economic situation had created a difficult economic situation in India, "forcing us to readjust plans and priorities."

"Our concern for the welfare of the Nepali people remains as firm as ever," he stressed adding to India, Nepal's development and prosperity was "as important as the development of our own country."

It was with the desire to see a self-reliant Nepal that India had given assistance in many fields that would strengthen the kingdom's infrastructure such as roads, airports, irrigation and power supply and a number of other fields which opened up and brought prosperity to hitherto remote and inaccessible areas of this country, he stated.

It was a matter of satisfaction, President Reddy pointed out, that in recent months there had been a realisation on both sides of the need to co-operate purposefully in harnessing all available water resources to mutual benefit and that there had been a promising beginning for implementation of important projects like Karnali and Pancheshwar.

The multipurpose utilisation of both

the snow-fed and the rain-fed rivers flowing from Nepal to India should be a matter of urgent priority for both countries. Not only would these schemes bring enormous benefits to the people in Nepal and India in flood control, soil conservation, irrigation and generation of hydro-electric power but equally important, as India's experience with similar schemes had shown, such projects act as a catalyst for development in areas far beyond the vicinity of the project, the President said.

Apart from water resources, President Reddy said, there was good prospects of developing mutual Indo-Nepalese co-operation in mineral and forest resources and joint industrial ventures.

Both India and Nepal, he recalled, share the common tradition of the great South Asian civilisations of Hinduism and Buddhism.

More than with any other country in the South Asian region, he said, the contacts between the peoples of Nepal and India were more extensive and unhindered.

"This free movement of people had intermeshed our countries and sustains the mutual understanding and friendship which has traditionally existed between the peoples of our two countries. This is what makes our relationship with Nepal unique," President Reddy asserted.

President Reddy's state visit is regarded by Nepalese officials as "the highest expression" of goodwill between the peoples of Nepal and India.

Speech to Nepalese Servicemen

Bombay THE TIMES OF INDIA in English 10 Dec 81 p 9

[Text]

POKHARA (Nepal),
December 9 (PTI).

THE president, Mr. N. Sanjiva Reddy, today offered to share with Nepalese people India's resources and whatever facilities the country had.

"India has a continuing interest in the well-being and prosperity of the peace of Nepal whom we consider our brothers," the President was addressing an ex-servicemen's rally held in his honour.

Recalling the superb fighting qualities and sense of loyalty and devotion of Gorkhas of Nepal, Mr. Reddy said: "We have seen evidence of this in our armed forces where Gorkhas have fought side by side with Indian soldiers with the same spirit and dedication."

The President said the highest gallantry awards and decorations have been bestowed on a large number of Gorkhas. "We are proud to have you serve in our armed forces," he said, and assured them that the doors of recruitment are always open to

them.

The peoples of India and Nepal are as close as any two peoples could be, Mr. Reddy said and added that the ties between the two countries extended back to thousands of years. "A common religious, cultural and philosophical tradition binds our countries and our people," he said.

Mr. Reddy said the border between the two countries is open enabling free movement of people across it. "Our schools, colleges, hospitals are open to every Nepali," he said and added that there are many employment opportunities for Nepalese in India.

India is specially conscious of the welfare of its ex-servicemen and their dependents who have served the country loyally and faithfully during the best years of their lives, away from home.

Mr. Reddy said that the common task of both Nepal and India was to "sustain and further enrich" the multifaceted and deep-rooted relations between the two countries based on

mutually of interests. He was speaking at a reception held in his honour by the Nepal Bharat Maitri Sangh. Mr. Reddy said "given goodwill and determination on both sides, the friendship is bound to flourish and prosper."

The official English daily RISING NEPAL said today that the state visit of President Sanjiva Reddy had thrown up some very positive indicators regarding not only the overall Nepal-India relations but also the ample scope that exists for fruitful cooperation for mutual benefit between the two countries.

Another English daily THE MOTHERLAND, said: "It is a treasured relationship nurtured meticulously and thoughtfully by both the countries that always see to it that nothing, even vicissitudes of time, impair their bond of friendship."

Return to Delhi

New Delhi PATRIOT in English 11 Dec 81 p 7

[Text] President N. Sanjiva Reddy on Thursday said that his three-day visit to Nepal had 'reinforced' his faith in the future of Indo-Nepal relations and convinced him more than ever before that the friendship between the two countries would grow even further in the years to come, reports PTI.

In a message to King Birendra and Queen Aishwarya Rajyalakshmi from aboard the special Air India plane "Lhoise," the President said that as a result of the cordial and comprehensive understanding of views during their discussions, he was more than confident that "our cooperation to the mutual benefit of both countries and people will be further developed and maintained."

President Reddy described his tour of Nepal as the "most happy and memorable visit" to the "lovely country" and thanked the King for the "warm hospitality" and "affection" which was extended to him every where by the Government and people of Nepal."

The President, who visited Nepal after a gap of 15 years, said he was greatly impressed by the evidence of progress and change which he saw every where throughout Nepal.

Talking to newsmen on his return from an eight-day visit to Nepal and Indonesia Mr Reddy said he had gone to create good will.

Mr Reddy found people in both countries "very friendly."

Among those who received Mr Reddy at the Delhi Airport were Mrs Gandhi, the army, airforce chiefs, Union Home Minister Zail Singh, Lt Governor of Delhi Sunder Lal Khurana and members of the Bharat Nepal Maitri Sangh.

A spokesman of the External Affairs Minister who accompanied the President said in Kathmandu that for thousands of years the two countries have lived in complete harmony. "Differences if any were momentary" and they would not come in the way of the friendship between the two nations.

He said the fact that India has offered further aid to Nepal to the extent of rupees 13 crores (Rs 9 crores in Indian currency), despite economic constraints in India, showed that India wanted to ensure the progress and welfare of the people of Nepal.

The demand of Nepal for declaring Nepal as a zone of peace will have to be studied, he said.

GANDHI INTERVIEWED BY NEW ZEALAND TELEVISION

Bombay THE TIMES OF INDIA in English 9 Dec 81 p 9

[Text] New Delhi, December 8 (UNI)--The Prime Minister, Mrs. Indira Gandhi, has said she had no ambition to see her son, Rajiv Gandhi, lead India after her. In fact, she has no ambition even for herself.

If there is any such thing as ambition, it is ambition for the country--that it should achieve things and we should help in the process, Mrs. Gandhi said in an interview to New Zealand Television.

And, I certainly think that I have helped in this process. I don't think I am being immodest in saying so. She added: "I certainly would like my family to feel a part of that and do what they can even if it means personal sacrifice.

Q: But, the people who criticise you, attack that what they regard as an attempt to perpetuate personal dynasty in politics?

Mrs. Gandhi: I am not concerned with what they say. But Rajiv has got elected by a tremendous majority. Now are we for democracy or do we say that it doesn't mean what the people think but it matters what the few press people or some others think.

In reply to another question, the Prime Minister said: "I am deeply attached to my family. But, again, I really regard India as my family and they regard me (the people) so. In large parts of India, I am called mother. And, I can honestly say that when I go out my major concern is what I can do for youth.

Q: The death of your son, Sanjay, must have been a devastating personal blow. Did that alter your approach to politics or your attitude to politics?

Mrs. Gandhi: No. It was a personal blow because apart from an intelligent, very active, energetic person it was tremendous fun to have him in the house.

PTI adds: Mrs. Gandhi has ruled out a return to the emergency days of 1975-77 and expressed her firm opposition to any authoritarian form of government. She however, justified the emergency.

I do think that if we had not done anything then, whether in that shape or in any other shape, our democracy would not have survived, she said.

Recalling the tension-ridden period, Mrs. Gandhi remarked: Suddenly it seemed as if we were drifting towards chaos, utter lack of responsibility on everybody's part. I felt that the country had to be shaken up and given a shock.

We had to call it emergency since that was the only thing permissible under the constitution. That was the advice given by the law minister and other important legal people in the cabinet, she said.

Mrs. Gandhi hastened to add that the Janata regime which succeeded her in 1977 had imposed a far greater emergency without declaring it. If the people did not feel they were worse off during the Janata rule, they would not have brought me back, she said.

Mrs. Gandhi said it was not true that her government had reintroduced preventive detention and that the recent anti-strike laws indicated her desire to clamp emergency again.

She said there were no political prisoners in India now. The anti-strike laws only relate to essential services like ports and docks, railways and posts and telegraphs and were brought in because of information that some people wanted to paralyse them at a moment of grave economic difficulties, she said.

Mrs. Gandhi said adequate machinery had been provided to redress workers' grievances through negotiations, but the problem was that some politicians used the workers for their own purposes whether it was in the interest of labour or not.

No Stifling Press

She also denied that any attempt was being made to stifle the freedom of the press. One had only to see the Indian newspapers whose content of freedom seems to mean to be "Anti Indira Gandhi". Day in and day out there were attacks on so-called authoritarianism which "just means one particular person (Mrs. Gandhi) and we have allowed it. However, such attacks were nothing new for the Indian press which had made the same charge against her father and even Mahatma Gandhi.

Mrs. Gandhi said it was a misnomer to call her "the world's most powerful woman." She enjoyed less powers than either the British Prime Minister, the French President or the U.S. President. If she had any strength, it came not from any muscle power or even intellectual strength but from the love and affection of the people.

Mrs. Gandhi observed: "Why am I a leader? It is not just that they like my face or even because I have a particular name. The party wants me as a leader because I can get them the votes. The day I cannot get the votes, they will not retain me. They will just throw me out. And that is democracy for me and for everybody else.

GANDHI MEETING WITH VASILIIY KUZNETSOV REPORTED

New Delhi PATRIOT in English 10 Dec 81 pp 1, 7

[Text] Prime Minister Indira Gandhi said on Wednesday that the arms race in South Asia was compelling India to have a close look at its "defence situation" which imposed an additional burden on the economy.

Mrs Gandhi, who made this observation before the high-level Soviet parliamentary delegation when it officially called on her for an hour-long meeting, laid special emphasis on a policy of peace which she held was a "practical necessity" and not a mere ideal for a developing country like India facing many challenges of development.

The parliamentary delegation was headed by First Deputy Chairman of the USSR Supreme Soviet Presidium Vasily Kuznetsov who conveyed warm greetings to the Prime Minister from Soviet President Leonid Brezhnev.

Mrs Gandhi, who requested Mr Kuznetsov to reciprocate her good wishes to Mr Brezhnev, high lighted the common concern of India and the USSR for peace and recalled how the Soviet Union had stood by India in times of need and helped it to develop self-reliance.

She stressed the importance of Mr Brezhnev's visit to India a year ago and maintained that the New Delhi Indo-Soviet summit in 1980 had not only contributed to the further strengthening of the already close relations between the two countries but also to the consolidation of peace in the world arena.

Underscoring India's desire for peace as it was a 'practical necessity,' she said India was doing everything possible for reinforcing the foundations of peace. It was in this context, she said, India had watched Mr Brezhnev's recent visit to the Federal Republic of Germany with great interest.

Mrs Gandhi told the Soviet delegation that she herself had been highly impressed by the Soviet leader's peace mission to West Germany as also by the new peace initiatives he had taken during that visit. It was her hope that the Soviet initiative would find adequate positive response from the other side. The visit she felt, was fully in line with the Indian Government's policy of halting the arms race and preventing further deterioration of the international situation.

Mr Kuznetsov expressed sentiments of warm friendship with India and paid rich tributes to the architect of modern India Jawaharlal Nehru for laying the foundation of present-day close ties between the two nations that had been further consolidated by Mrs Gandhi herself.

He said Indo-Soviet friendship had stood the test of time and lauded India's current efforts to reduce tensions and promote detente across the globe.

The Soviet Vice-President asserted that on international issues the two countries' positions were identical or very close.

The meeting, which took place in an exceedingly cordial atmosphere, was also marked by Mr Kuznetsov's elucidation of the functioning of the USSR Supreme Soviet and its activities directed towards peace, and Mrs Gandhi's assertion that India hoped to follow up the successes in the economic field.

Meeting with Rao

The delegation also met External Affairs Minister P V Narasimha Rao and Parliamentary Affairs Minister Bhishma Narain Singh during the day.

Mr Kuznetsov explained to Mr Rao the new Soviet peace initiatives unfolded by Mr Brezhnev during his visit to Bonn. The External Affairs Minister highly appreciated the peaceloving foreign policy of the USSR and expressed the Indian Government's keen desire to strengthen peace, reinforce detente and achieve general and complete disarmament together with the Soviet Government.

CSO: 4220/7516

GANDHI SPEECH ON ROLE OF WOMEN REPORTED

Bombay THE TIMES OF INDIA in English 8 Dec 81 p 9

[Text]

NEW DELHI, December 7 (PTI).

THE Prime Minister, Mrs. Indira Gandhi, today expressed serious concern at the steady increase in violence, particularly growing crimes against women, in towns and villages in almost all countries of the world.

Parents, teachers, groups along with other concerned citizens and public and governmental bodies must get together to fight this evil, Mrs. Gandhi said while inaugurating an "expert meeting on the role of women in the education of young people for peace, mutual understanding and respect for human rights" organised under the aegis of UNESCO here. Delegates from 20 countries are attending the meeting.

Society must find an answer to the causes of this frustration, mental and callousness, she stressed.

Mrs. Gandhi felt the contemporary society seems to take violence for granted even when it was quite pointless and senseless.

Internationally, Mrs. Gandhi said, the first step towards peace was to agree to co-exist, the recognition that individuals and nations have the right to pursue their own religion, ideology or path. Co-existence also means that no individual or nation should impose its own views on others, implying non-interference with the internal affairs of others. Rights and duties are thus enmeshed, she said.

She stated that if this principle was followed, nationalism could be cured of the aggressive and expansionist tendencies.

Mrs. Gandhi said nation states could not be wiped away for technological development had already underlined the interdependence of the world. Educators, who inculcate the concept of duty to one's motherland, must also lay even greater emphasis on duty to our mother earth, she said.

She said women and men were parts of the human species and share its characteristic. The responsibility to work for peace lies on all citizens and communities, whatever their similarities or the differences.

The campaign for peace must be waged in all such grouping. But first the individual should be convinced, she said.

Today the confrontation is sometimes said to be based on ideology. But a second look proves the hollowness of this theory. The conflict is more over what are considered to be national interests. The fight is for power and influence and the desire to control peoples and natural resources, the Prime Minister said.

Mrs. Gandhi said it was possible to come to some agreement about distribution and other connected matters which will cause hurt to no one. Yet the atmosphere remained one of conflict. The basic cause of conflict was some kind of fear and insecurity. So the question had to be dealt with at the personal level as well as at the social, national and international level, she said.

The Prime Minister also underlined the importance of inculcating among children an attitude of understanding towards others, specially those who were different in race, colour, customs and having different religion and also those handicapped and disabled. Care for animals and plants was part of the same outlook on life, she said.

Mrs. Gandhi quoted a phrase she liked in one of the papers circulated for the meeting. "Openness and friendliness towards other persons are more readily promised when each child can be sure about his or her identity to be proud of it."

INDO-FRENCH ADVANCED TECHNOLOGY MEETING OPENS

Bombay THE TIMES OF INDIA in English 10 Dec 81 p 9

[Text]

BANGALORE, December 9.

TALKS have been initiated by India and France for co-operation between the two countries in launching the former's remote sensing satellite in 1986-87.

Space-based remote sensing for natural resources management is a major goal of the Indian Space Research Organisation (ISRO). Detailed studies are being made to define the mission of the Indian Remote Sensing Satellite (IRS).

Preliminary discussions have been held with a number of user ministries, including the ministry of agriculture, and departments of mines, petroleum and energy.

This comes fairly close on the heels of Bhaskara-II, ISRO's second satellite for earth observation, launched from a Soviet cosmodrome on November 20.

Speaking at the four-day Indo-French advanced technology symposium which opened here today, Prof. V. R. Rao, director of ISRO's satellite centre, Bangalore, was emphatic that like-minded countries should come together to tackle the problem of "orbit-crowding." The "first-come-first-served" principle would not satisfy the needs of many countries, he added.

He called for systematic planning and co-operation among various countries in the field of space science. Space technology should be utilised for the good of the entire mankind and it should not be made a prestige programme of any particular country.

Mr. M. Gelas, minister-counsellor in the French embassy in India who chaired the platform with Mr. G. Perrin, French trade commissioner, and Mr. C. Vidalain of the French foreign trade in Paris, expressed satisfaction that the symposium was being held at a time when France and India were coming closer following the recent visit of Mrs. Gandhi to that country.

Over 80 French companies are participating in the symposium.

INDO-SOVIET SEMINAR ON FOREIGN AFFAIRS HELD

Bombay THE TIMES OF INDIA in English 10 Dec 81 p 9

[Text]

NEW DELHI, December 9: Three-day Indo-Soviet seminar which concluded here today brought out the importance of Indo-Soviet friendship and co-operation in stabilising peace and development in the region and the world.

The seminar on international affairs was jointly organised by the Indian Council of Social Science Research and the Institute for Defence Studies and Analyses.

Among the subjects discussed were: current status of detente and its implications, developments in South Asia, situation in East Asia, South-East Asia and the Pacific basin, situation in South-West Asia, Arab-Israeli dispute and the Indian Ocean, and nuclear war doctrines and their impact on international relations.

Eleven papers were presented in the seminar. It is proposed to publish the papers and the proceedings of the seminar in due course.

It is hoped that such seminars will be a regular annual feature with the venue being alternated between India and the USSR. While on both sides these seminars are part of overall programmes of similar bi-national exchange with other leading nations, this series is of particular significance in view of the recent setback in international relations and the fragile political and security situation in South,

South-East and South-West Asia, the Indian Ocean region and later in Europe.

TOP SOVIET ACADEMICIANS

The Soviet delegation at the seminar consisted of academicians: Inomarov, director, Institute of world economy and international affairs, Moscow; academicians E. M. Primakov, director of Institute of oriental studies; Prof. V. V. Zhukria, deputy director, Institute for U.S.A. and Canada; Prof. G. G. Kotovsky, Institute for oriental studies, and Professors A. I. Chichov, V. N. Mostalenko, A. D. Nikov, G. I. Chufria and Dr. T. L. Shaumyan.

The Indian delegation consisted of Mr. G. Parthasarthy, chairman, Indian Council for Social Science Research; Mr. T. N. Kaul, former foreign secretary and ambassador to the U.S. and USSR; Mr. K. Subrahmanyan, director, Institute of Defence Studies and Analyses; Professors Rajenduddin Khan, M. S. Agwani and M. S. Venkateswami of JNU, Prof. V. P. Dutt of Delhi University, Mr. Girilal Jain, Mr. A. K. Damodaran and Mr. G. V. Mahta.

Under the auspices of the Indo-Soviet joint commission on social sciences, bi-national seminars have been a regular feature over the past few years.

CSO: 4220/7518

LAW COMMISSION RECONSTITUTED, MISSION EXPANDED

Calcutta THE STATESMAN in English 5 Dec 81 p 1

[Text] New Delhi, Dec. 4--The Government announced the reconstituted Law Commission in both Houses of Parliament today.

The commission is headed by Mr K. K. Mathew, retired judge of the Supreme Court, and has Mr Nasirullah Beg, retired Chief Justice of Allahabad High Court, and Mr J. P. Chaturvedi, retired judge of the same High Court, as its members. Mr V. V. Baze has been appointed member-secretary of the commission.

The commission's three-year tenure begins on December 14, 1981.

Mr P. Shiv Shankar, Union Law Minister, who made the announcement in both Houses of Parliament, said that whenever necessary, one or more part-time members would be appointed to the commission depending upon the nature of the topic "which might be taken by it for consideration" to deal effectively with "specialized problems".

The Law Minister said that the terms of reference of the commission had been amplified by making it one of the functions of the commission to recommend to the Government measures "for bringing the statute book up-to-date by repealing obsolete laws and enactments or parts thereof which have outlived their utility".

The terms of reference are: (1) To keep under review the system of judicial administration to ensure that it is responsive to the reasonable demands of the times and, in particular, to secure elimination of delays, speedy clearance of arrears and reduction in costs so as to secure quick and economical disposal of cases without affecting the cardinal principle that decisions should be just and fair, simplification of procedure to reduce and eliminate technicalities and devices for delay so that it operates not as an end in itself but as a means of achieving justice; and improvement of standards of all concerned with the administration justice.

(2) To examine the existing laws in the light of Directive Principles of State policy and to suggest ways of improvement and reform and also to suggest such legislation as might be necessary to implement the Directive Principles and to attain the objectives set out in the Preamble to the Constitution.

(3) To revise the Central Acts of general importance so as to simplify them and to remove anomalies, ambiguities and inequities.

(4) To recommend to the Government measures for bringing the statute book up-to-date by repealing obsolete laws and enactments or parts thereof which have outlived their utility.

(5) To consider and to convey to the Government its views on any other subject relating to law and judicial administration that may be referred to it.

In the Rajya Sabha, Mr Shiv Shankar, replying to clarifications sought by a few members, explained that the terms of reference "take care" of the socialist policies.

He assured a Lok Dal member that "if need arises, we will expand the commission" to accommodate representation on the commission of the backward classes, the Scheduled Castes and Tribes and the minorities. Mr Shiv Shankar added that as far as the Centre was concerned, he would leave no stone unturned to see to it that judges belonging to the minorities, the backward classes and the Scheduled Castes and Tribes were given the opportunity to serve on the State High Courts. He had written to State Governments in this regard, but the reaction of some Chief Justices had been unhappy.

CSO: 4220/7500

DETAILS OF 1982 TRADE PROTOCOL WITH POLAND GIVEN

New Delhi PATRIOT in English 5 Dec 81 p 7

[Text] India and Poland have signed a trade protocol for 1982, envisaging a total turnover of approximately Rs 280 crores both ways, which represent an increase of 20 per cent over the provisions made for the trade protocol in 1981, report agencies.

Hence imports from Poland have increased by Rs 250 million.

The trade protocol was signed by Mr S K Sarkar Joint Secretary Ministry of Commerce, on behalf of India and by Mr Stanislawski, Director-General Ministry of Foreign Trade, on behalf of Polish People's Republic. The protocol has been signed in terms of the provisions of the Trade and Payments Agreement of December 1980.

Items of exports from India in respect of which major increases have been provided in the trade plan are mica products, finished leather and leather goods, cotton textiles, raw cotton, handloom goods and oilseed extractions.

An attempt has been made to diversity exports to Poland by introducing new items like surgical cotton, electric motors steel pipes, industrial valves, V belts.

Imports from Poland for which increased provisions have been made relate to zinc, copper, equipment for power stations fishing vessel ship engines and equipment and gas cylinders. The new items for export from India to Poland are high speed circuit breakers for railways, telephone components and rails.

In view of the special difficulties faced by Poland, the trade plan will enable the Polish side to generate rupee funds to absorb exports from India.

CSO: 4220/7501

FOREIGN MINISTER COMMENTS ON CANCUN MEETING

New Delhi PATRIOT in English 5 Dec 81 p 5

[Text]

EXTERNAL Affairs Minister P V Narasimha Rao said in the Rajya Sabha on Friday that there had been "no advance" at the restricted 22-nation summit at Cancun but the very fact that this was the first meeting of minds of developed and developing countries on North-South issues was a "positive outcome" of the meet.

He came out with this observation during question-hour while replying to a query by Syed Shahabuddin (J) if the government considered that there had been some advance at Cancun because in his view there had been just reiteration of the different countries' standpoints at the summit.

Mr Rao agreed with Mr Shahabuddin on this score, but highlighted the very success of the countries being able to meet for the first time to discuss such vital issues as efforts to end the problem of hunger from the globe.

Mr N P Nanda (C-B) said it was not possible to know from the document released after the Cancun meeting if it had been agreed that food would never be used as a weapon of international pressure or for achievement of certain global objectives by developed countries against developing ones. He wanted the External Affairs Minister to throw some light on this.

Mr Rao read out from the relevant part of the document, but when Mr Nanda persisted with his question if the issue of using food as a weapon against developing countries has come

up in the course of discussions there, the minister said it "was not discussed in this form".

Earlier, replying to the original question by Mr M C Shan-dara (C-I) Mr Rao said India would offer its full cooperation to any long-term programme as a followup on the consensus reached at the Cancun summit for eradication of hunger by 2000 AD.

Mr Shankar Prasad Mitra (Ind) asked if press reports to the effect that developed countries at the summit had not evinced much interest on the food issue were correct. Mr Rao replied the sum-up of the conference did not corroborate the reports as the need for food security had been realised by all participants.

Mr Lall Mohan Nigam (LD) wanted to know if we had proposed to the developed countries to keep apart a part of their defence budgets to set up a fund for removal of hunger. Mr Rao said for the first time it was agreed that food aid to developing countries should not be considered a charity but regarded as something of give and take. But how this was realised in practice had yet to be seen.

PUNJAB CHIEF MINISTER EXPANDS CABINET

New Delhi PATRIOT in English 11 Dec 81 pp 1, 7

[Text]

CHANDIGARH, Dec 10.

PUNJAB Chief Minister Darbara Singh today expanded his 18-month old ministry by inducting two Cabinet ministers, five ministers of State and one Deputy Minister.

Except the two Ministers of Cabinet rank, Mr Gurdarshan Singh from Patiala district and Mr Joginder Pal Pandey from Ludhiana all the other six faces are new entrants to the Ministry. The Ministers of State are Mr Birpal Singh, PPOCI general secretary (Ludhiana), Mr Darshan Singh Kaypee (Scheduled Castes-Jullundur), Mrs Rajinder Kaur Bhattal (Sangrur), Mr Avtar Singh Gatwali (Bhatinda) and Mr Bhagwan Dass (Faridkot), Mr Ujjagar Singh Balluana (Ferozepur) was inducted as Deputy Minister. Today's induction of eight new Ministers has brought the number of Darbara Singh-led Congress team to a total of 16.

State Governor Aminuddin Khan administered the oath of office and secrecy to the new Ministers at a simple but impressive ceremony at Raj Bhawan here this afternoon. Haryana Chief Minister Bhajan Lal and his Cabinet colleagues, judges of the Punjab and Haryana High Court and numerous other dignitaries attended the ceremony. Barring Mr Gurdar-

shan Singh who took the oath of office in English and with sole affirmation all the new incumbents took oath in Punjabi and in the name of God.

Mr Bir Devinder Singh, another young legislator who was specially summoned to be inducted as Chief Parliamentary Secretary however could not be administered the oath of office apparently because immediately after the oath-taking ceremony Chief Minister Darbara Singh had immediately left for Madras to attend there a function to honour a freedom fighter and a poet.

Following are the details of portfolios allocated to Ministers: Chief Minister Darbara Singh: General administration (excluding parliamentary affairs), home, justice, vigilance, personnel and administrative reforms, industries, power and urban development,

Dr Kewal Krishan: Finance, planning, excise and taxation. Sardari Lal Kapur: Local Government (excluding housing and urban development).

Mr Harcharan Singh Ajnala: Education and legislative affairs.

Mr Beant Singh: Public works department; (B and R) architecture and technical education.

Mr Kanshi Ram: Agriculture, forests, irrigation and elections.

Mr Jagat Ram: Welfare and labour and employment.

Mr Santokh Singh Randhawa: Development, rural development and panchayats, animal husbandry and fisheries.

Mr Joginder Pal Pandey: Health and family welfare, parliamentary affairs, public relations and information.

Mr Gurdarshan Singh: Revenue and defence services welfare.

Ministers of State: Mr Avtar Singh Gatwali: Transport; Mrs Rajinder Kaur: Housing, tourism and cultural affairs, museum and archaeology; Mr Darshan Singh Kaypee: Rehabilitation, industrial training and public health. He would be attached to the Chief Minister for industry. Mr Birpal Singh: Cooperation; Mr Bhagwan Dass: Food and supplies.

Deputy Minister: Mr Ujjagar Singh: Development and panchayats attached to Development Minister Santokh Singh Randhawa).

SOVIET OFFICIALS, OTHERS ON INDO-SOVIET COOPERATION

Article by Deputy Chairman

New Delhi PATRIOT in English 8 Dec 81 p 4

[Article by I. Arkhipov, First Vice-Chairman of the USSR Council of Ministers]

[Text] **T**HE Soviet and Indian peoples have long-standing friendly relations. These relations are based on mutual respect, territorial integrity, sovereignty, non-intervention in each other's home affairs, equality and mutual benefit. They reflect the vital interests of the two peoples and governments and vividly show that close and many-sided ties can exist between states with different social systems, if their policy is inspired by the ideals of the struggle for peace and security, against aggression and all forms of colonialism. Trade, economic scientific and technical cooperation is one of the forms of these relations.

The consistent policy of attaining economic independence pursued by the Indian Government and its efforts to develop national industry and agriculture have led to tangible successes in the upswing of the Indian economy and carrying out social transformations. Over the short period since the winning of independence, major ferrous and non-ferrous metallurgical, engineering, oil refining and petro-chemical enterprises and atomic, thermal and hydropower stations have been built in India. Oil, coal and other deposits have been developed. In its industrial output India ranks among the first ten nations of the world. It has achieved self-sufficiency in many key industrial and agricultural sectors. India's exports steadily grow, with the share of manufactured goods increasing. India has made great progress in the development of science, technology, culture and

education.

The USSR welcomes the successes of the friendly Indian people and does all to strengthen and develop equitable and mutually-beneficial cooperation between the two nations.

At a meeting of Indo-Soviet friendship in New Delhi in December 1980 Indira Gandhi said: Our mutual regard has manifested itself in numerous forms of cooperation. Our economic relationship has grown steadily and impressively. Scores of nation-building projects in India stand witness to it. Our scientists and technologists, our writers and artists have worked together in warm comradeship.

Soviet-Indian trade is steadily growing in scale. In India's exports to the USSR, along with traditional items—tea, coffee, jute and jute articles, the share is increasing of manufactured goods such as metal products, cable, accumulators, thermal blocks, instruments, garage, printing and other equipment, synthetic detergents, cosmetics, wool garments, cotton fabrics, sewing and handicraft articles.

The USSR exports to India machines, equipment, complete sets for engineering plants, fertilisers, oil and oil products, newsprint and many other items necessary for India's economic development.

In 1980 Soviet-Indian trade topped 1,200 million roubles—a nearly two-time increase compared with 1975.

Personal meetings and contacts between Soviet and Indian leaders greatly promote all-round

ties between the two nations. Last December's visit to India of Leonid Brezhnev was vivid proof of this.

During Leonid Brezhnev's talks with the Indian leaders much attention was paid to the development of trade and economic ties.

The sides signed then a number of documents. These include a joint Soviet-Indian Declaration, an agreement on economic and technical cooperation, a trade agreement for 1981-1985, a programme of exchanges in the field of culture, science and education for 1981-1982 and an agreement on cooperation in cinematography.

Over the short period since the signing of the above documents Soviet and Indian organisations have done much to realise these objectives which give a mighty impetus to the further development of many-sided ties between the two nations.

The sixth session of the Inter-Government Indo-Soviet Commission on Economic, Scientific and Technical Cooperation held in January 1981 mapped out concrete programmes of cooperation.

An important event took place recently in Soviet-Indian cooperation. The two countries opened a troposcatter communication link.

The Soviet people believe that the friendly and good-neighbourly relations sealed by the Soviet-Indian Treaty of Peace, Friendship and Cooperation will continue to successfully develop for the benefit of the two nations and in the interests of peace in Asia and the world over.

New Delhi PATRIOT in English 8 Dec 81 p 4

[Article by Nikolai Goldin, Soviet Minister, and President of the Soviet-Indian Friendship Society]

[Text] **T**HE friendship of the Soviet and Indian peoples is the friendship of 900 millions, united by the desire to work for the good of the present and future generations and by the determination to protect universal peace. The great sons of the two nations—Vladimir Lenin and Jawaharlal Nehru, stood at the source of that friendship. An invaluable contribution to its strengthening, expansion and enrichment has been made by Leonid Brezhnev and Indira Gandhi.

Prime Minister Indira Gandhi has called Leonid Brezhnev the architect of the edifice of Soviet-Indian Friendship. Mrs Gandhi expressed feelings of love and admiration which the Indian people have for the Soviet head of state and the indefatigable peace champion.

Soviet-Indian Friendship grows stronger and mutually advantageous co-operation between the two countries expands every year. The two countries work for the consolidation of peace and security in Asia and all over the world, for the prevention of a new world war, the curbing of the arms race, disarmament and the relaxation of international tension. Certain circles in the West have more than once attempted to distort the character of Soviet-Indian relations and the essence of the Soviet-Indian Treaty of peace, Friendship and Co-operation. Such attempts, however, have been doomed to failure from the outset. The Soviet-Indian Treaty is not aimed against third countries and it has always been a guarantee of peace and security. The Treaty has con-

solidated friendship and co-operation between the world's first socialist nation and one of the leaders of the non-aligned movement—India.

Soviet-Indian co-operation in the international arena is of exceptional importance in the situation obtaining at present. Meetings of Soviet and Indian leaders have a special role to play in the established practice of bilateral contacts.

The latest visit by Leonid Brezhnev to India last December was an event of worldwide significance. The four days' visit became a new vivid page in the relations of friendship and co-operation between our two countries.

The proposals for preserving peace and security in the Persian Gulf and the Indian Ocean which the Soviet leader spelled out in the Indian parliament have gained wide international acceptance. They are evidence of the consistent and firm course conducted by the Soviet Union.

The USSR's interest in reducing tension and eliminating seats of conflict on a vast area from Central Europe to the Far East, including the Persian Gulf and the Indian Ocean, was recently reiterated by Leonid Brezhnev in his replies to the questions of the West German magazine Der Spiegel.

The Soviet Union highly assesses India's position on a comprehensive, lasting and fair settlement of the Middle East problem, the conversion of the Indian

Ocean into a zone of peace and the termination of the fratricidal Iran-Iraq war, its realistic approach to the political solution of problems connected with the situation over Afghanistan, the recognition by Delhi of the People's Republic of Kampuchea and its efforts towards turning South-East Asia into a region of lasting peace and stability.

Soviet people take pride in the fact that Soviet-Indian co-operation helped India's advancement along the road of economic independence. The Soviet Union gave India all the assistance it could in this matter of prime importance.

A major contribution to rapprochement between the Soviet and Indian peoples and their mutual acquaintance is being made by the Soviet-Indian Friendship Society in the USSR and its counterpart, the Indo-Soviet Cultural Society and the Society 'All-India Friends of the Soviet Union.'

Last August the Soviet and Indian public widely observed the Twenty-fifth Anniversary of the Treaty of Peace, Friendship and Co-operation between the USSR and India and the 34th Anniversary of India's Independence.

As the President of the Soviet-Indian Friendship Society, I would like to stress that Soviet-Indian Friendship is part and parcel of the life of the two countries and has truly become traditional. It is a major long-term factor in promoting both interstate relations and public contacts between our two countries.

Soviet Aid in Training

New Delhi PATRIOT in English 8 Dec 81 p 4

[Article by V. Koptevsky]

[Text] On gaining independence, the Indian Government concentrated

on training national personnel along with the key task of rapid

industrialisation. Stressing the importance of expertise in economic

management, Jawaharlal Nehru pointed out that it was more difficult to teach people to control a plant than to build it.

The USSR has been of great assistance in this field. During the years of Soviet-Indian cooperation more than 120,000 Indian specialists have been trained with Soviet assistance.

Indian engineers and workers have benefited by the Soviet involvement in the construction of more than 70 major projects in India. With the growing vocational competence of Indian technical workers and builders due to Soviet consultations, blueprints and technical documentation, one can see a diminishing number of Soviet experts at Indian construction sites, especially in comparison with the '50s or '60s.

Training centres set up at such projects, with an annual enrolment of several thousand students have already graduated more than 80,000 skilled workers and technicians.

The USSR also renders India aid in expanding its network of educational establishments. The construction of the Bombay technological institute was the first step in this direction. The institute which accepted the first 100 students in 1956 accounts now for about 2,500 students and post-graduates. It provides yearly 300 engineers in 8 specialties for the Indian economy.

The Soviet Union has also taken part in organising new faculties at the existing colleges and universities, specialising in the fields particularly important for the development of the Indian economy. Among them are the geophysics faculty at the Kharagpur technological institute, the aircraft construction faculty at the Bombay technological institute, and the automation and computerisation faculty at the Bangalore institute of sciences.

Conducive to the growth of Indian medium-level industrial personnel are Soviet-assisted secondary schools specialising in metallurgy (Bhilai), machinebuilding (Ranchi), the oil and gas industry (Baroda), electronics and power engineering (Hyderabad). Soviet professors and teachers have participated in working out curricula for these technicums.

The higher and specialised secondary schools built in India with Soviet assistance have already trained more than 36,000 experts.

The historic visit to India by Leonid Brezhnev in December 1969, and the signing of a new inter-government agreement providing, among other things, for the construction in India of several large-scale projects, chiefly, in the fuel and power engineering fields as well as in ferrous metallurgy, machinebuilding and irrigation, have opened vast prospects for the further build-up of Indian qualified personnel.

Thus there is every reason to say that Soviet-Indian cooperation in vocational training is an earnest of India's successful progress in the socio-economic field.

Cooperation in Energy

New Delhi PATRIOT in English 8 Dec 81 p 4

[Article by N. Murygin]

[Text] **T**HE USSR has successfully developed power engineering and has vast reserves of energy carriers; which make it possible to fully meet the national economy's needs for fuel and energy with its own sources. About 90 per cent of energy reserves are in the eastern part, while 80 per cent of energy consumers are in

the European part of the USSR. The future of Soviet power engineering is linked with the development of its base in the east of the USSR. In 1980, it produced 315 million tonnes of oil and 163 billion cum. of gas, which made up 50 and 37 per cent respectively of the planned national output of these fuels.

The 26th CPSU Congress set the following task: to bring electricity production in 1985 to 1,600-1,800 billion KWH, including 230-235 billion KWH on atomic power stations, and 230-235 billion KWH on hydropower stations. The growth of electricity production in the European part of the USSR is mainly to be achieved on atomic and hydro-

power stations.

Raising the proportion of atomic stations and using hard fuel, first of all, low calorific coal, feature prominently in the Soviet energy programme. The USSR leads the world in the utilisation of low calorific fuel.

Today's scientific and technological advances make it possible to replace fuel energy on a large scale by atomic, hydraulic as well as geothermal, solar and wind energy. It has become necessary to use these renewable natural energy sources for practical purposes. Work is being carried out in the USSR on evolving industrial equipment, devices and materials to develop renewable energy sources. The results of this research and the gained experience will promote the progress of this new promising trend in power engineering.

The USSR realises the significance of power engineering for raising the living standards of developing countries, and therefore gives them all-round assistance in training national personnel to build and operate energy projects and in setting up industries to supply the energy sector. Soviet-Indian cooperation in energy is a vivid example of this. The 70-odd major industrial projects, built in India with Soviet assistance, include engineering, coal, oil enterprises and thermal and hydro-power stations. The Harwar Heavy Machine-Building Plant manufactures hydro and turbo generators according to Soviet drafts. Soviet specialists assisted India in discovering some 40 oil and gas fields on the mainland and the shelf and building three oil refineries.

The Agreement on Economic and Technical Cooperation, signed during Leonid Brezhnev's visit to India in December 1960, highlights the further development of bilateral contacts in the field of energy. The 3,000,000-kw Valdan thermal power station will be built with Soviet technical assistance on the Singrauli deposit. At present, preparations are

under way for the building of the first stage of the station with a capacity of 1,000,000 kw.

For the successful implementation of the agreement, the 6th Inter-Governmental Indo-Soviet Commission on Economic, Scientific and Technical Cooperation decided to set up a joint Working Group on energy. The recent first session of the group in Moscow discussed all chief aspects of prospective Soviet-Indian cooperation in energy. A practical programme of building the Valdan station was worked out. The Soviet Teploelektroproekt institute is going to start designing after Soviet and Indian organisations sign early in 1982 a contract for the building of the station. Orders will be placed with Soviet enterprises for the station's equipment. For efficient coordination of activities a Working Programme of Cooperation in the field of energy for the next five years will be prepared.

A centralised repair and maintenance service and a centralised repair base are to be set up in India. The USSR has vast experience in this field, and the use of it in India can produce fine results. A team of Indian specialists lately visited Moscow to see the way this service is organised. Another team of Indian power engineers studies the work of the Soviet united power grid comprising all energy suppliers and consumers in the USSR. This mobile system gives a tremendous economic effect, making it possible to freely transfer electricity reserves and provide energy to all consumers. Indian specialists studied the Soviet experience of designing and building power lines.

Since the Valdan project provides for building a nearly 1,000-km power line connecting it with New Delhi, Soviet experts in India are collecting data for designing this power line. Within the year since the inter-governmental agreement was signed much has been done to fulfil the programme of Soviet-Indian cooperation in energy.

SPEECHES AT BANQUET FOR SOVIET LEADER REPORTED

G. K. Reddy Report

Madras THE HINDU in English 8 Dec 81 p 1

[Text]

NEW DELHI, Dec. 7.

At the banquet given in honour of the visiting First Deputy Chairman of the Presidium of the Supreme Soviet tonight, the Vice-President, Mr. M. Hidayetullah, said the Indo-Soviet treaty had assumed "added value and significance" in the fast deteriorating present-day world situation.

It was the farthest the Government of India could have gone in warning the U.S. on the eve of the visit of the U.S. Secretary of State, Mr. Alexander Haig, that the ill-advised American policy of starting a new arms race in the sub-continent would rebound by increasing India's dependence on the Soviet Union.

The Vice-President referred to India and the Soviet Union as "natural partners" in their common commitment to work together with other countries for world peace. The Indo-Soviet friendship, he added, would continue to grow because of their shared values, which enabled them to build up a "commandable and reliable structure of political relationship" reflecting their total opposition to colonialism and racial discrimination.

The Soviet leader, Mr. V. V. Kuznetsov, who arrived today at the head of a parliamentary delegation which included several senior officials and other experts, said the Indo-Soviet friendship which had stood the test of time had acquired considerable im-

portance in the context of the present international situation. The periodic meetings between the top Indian and Soviet leaders represented a level of continual dialogue which had its own special significance.

He viewed his own visit to India as part of the process of high level exchanges. It was in this context that he was looking forward to his talks with the Prime Minister, Mrs. Indira Gandhi, the External Affairs Minister, Mr. P. V. Narsimha Rao, and other members of the Indian Government.

Essential issues also: Apart from political discussions, Mr. Kuznetsov had evidently come prepared to discuss economic issues as well, since the Soviet delegation included the Deputy Chairman of the State Committee for Foreign Economic Relations, Mr. V. Litvinenko, and the Director of the South Asia Division in the Foreign Ministry, Mr. A. Volkov, besides a dozen other experts.

The parliamentary members of the delegation consisted of Mr. Vladimir Porlov, First Deputy Prime Minister of the Russian Federation and Chairman of the Consumer Goods and Trade Commission, Mr. Tukhtamysh Belmurov, Chairman of Health Care and Welfare Commission and Mr. Nikolai Korotnikov, Member of Transport and Communications Commission.

A high-power delegation of this kind, headed by the First Deputy Chairman of the Soviet Presidium, has not come to see the sights of India and watch the zero hour in Indian Parliament. It has come to keep up the tempo of high-level Indo-Soviet exchanges, and what Mr. Hidayetullah said in his banquet speech certainly set the tone and pace for Mr. Kuznetsov's visit.

New Delhi PATRIOT in English 8 Dec 81 pp 1, 7

[Text]

First Deputy Chairman of the USSR Supreme Soviet Presidium Vasily Kuznetsov on Monday reminded forces in Asia defending overseas interests in the hope of clinging on to power that such a 'stability' was 'very nebulous and has to be paid for by being accomplices to dangerous adventures of others and by aggravating relations with neighbours.'

Mr Kuznetsov who refrained from mentioning any country by name was speaking at a banquet hosted by Vice-President M Hidayatullah at Rashtrapati Bhavan on Monday.

Both Mr Kuznetsov and Mr Hidayatullah highlighted the 'special significance' of Indo-Soviet cooperation in the world arena at the present stage when the international climate was deteriorating fast and peace was in great peril.

Despite the current complexity of global events Mr Kuznetsov said the Soviet leaders were deeply convinced of 'real ways to settle conflict situation be it in

the Middle or Near East in South or South-East Asia or in the Far East.' In this context he spoke of Soviet support to positive initiatives by Asian countries towards this end and acclaimed the foreign policy of India enjoying high world prestige because of its indelatiguable and continuous work 'in the interests of a stable peace and security in Asia and throughout the world.'

Mr Kuznetsov was accorded a warm welcome by Mr Hidayatullah at Delhi airport when he arrived in the afternoon at the head of a high-ranking Soviet parliamentary delegation on a nine-day goodwill visit. The delegation was later received by Lok Sabha Speaker Balram Jakhar. Mr Kuznetsov had brief talks with Mr Hidayatullah as well.

In his banquet address the Soviet Vice-President laid emphasis on the 'more intense struggle for peace' as witnessed in the 'unprecedented rise of the anti-imperialist mass movement in Western Europe.'

Detente Efforts

'We in the Soviet Union have full understanding and respect for the sentiments and actions of those who participate in popular manifestations in West European capitals. For our part we continue to do our utmost to channel the course of events into the mainstream of constructive dialogue' he said. In this connection, he referred to the very tangible Soviet measures aimed at reducing world tensions and ending the arms race as convincingly demonstrated by Soviet President L I Brezhnev's recent visit to the FRG.

Mr Kuznetsov said the USSR had travelled its half of the way and even further to accommodate the Western partners. The USSR felt that talks held in Geneva 'create a fairly good possibility for the successful completion of that journey, provided, of course, the other side acts in complete reciprocity, recognises the principle of equality and equal security and above all, of course, displays the appropriate political will.'

The Soviet Vice-President dwelt at length on the situation in Asia. 'The very acute problems which exist today in Asia call for urgent solutions. It is well known that the seeds of conflict on that continent have been sown by external forces to whom the interests of the people of Asia are alien. The question as to what those forces are, is answered with utmost clarity by the flags flown at the

masts of the armada concentrated in the Indian Ocean allegedly to defend the 'vital interests' of a power many thousands of miles away from the region,' he remarked.

'Unfortunately,' he said, 'there are forces on the continent of Asia itself which give every assistance in defending the overseas' interest. In doing so, some must be thinking of obtaining in exchange the support for their hegemonist designs and territorial claims towards contiguous states. Others seem to regard this line as the best method of clinging to power. It is worth reminding that such a 'stability' is very nebulous and has to be paid for by being accomplices to dangerous adventures of others and by aggravating relations with neighbours.'

Mr Kuznetsov at the very outset recalled his visit to Delhi ten years ago 'to this day' soon after signing the Indo-Soviet Treaty.

Mr Hidayatullah, in his speech, made a particular mention of the Indo-Soviet Treaty. 'The Soviet-Indian Treaty of Peace, Friendship and Cooperation signed in August 1971,' he said 'opened a new chapter in our relations. This document, which reflects the friendship of the people of our two countries and their determination to continue the struggle for peace and international cooperation has provided, during the last decade the framework for further development of our relations.'

CSO: 4220/7507

CHANGE IN MARXIST ATTITUDE TOWARD MOSCOW NOTED

Calcutta THE STATESMAN in English 9 Dec 81 p 8

[Editorial: "Shadow of Moscow"]

[Text] Too much need not be read into the semantic differences regarding the Soviet Union between the CPI(M)'s draft political resolution for the next party congress and the one adopted at the last congress. The final resolution may be quite different. But there is little doubt that recent years have witnessed some change in the Marxist attitude towards Moscow. The first signs of a shift in emphasis became evident when the CPI(M) reacted almost exactly like the CPI to the Soviet occupation of Afghanistan and to Vietnam's move in Kampuchea, an identification that understandably pleased CPI leaders. Gradually too, relations improved between the two Communist parties, and, despite occasional carping, the CPI's admission to West Bengal's ruling Left Front occasioned little surprise. Both parties have since taken virtually the same view of Mrs Gandhi's foreign policy. It is not without significance, therefore, that nearly all the Naxalite groups, which invariably look to China for inspiration, unanimously condemn the CPI and the CPI (M) as pro-Russian.

The charge against the Marxists may seem to be confirmed by this draft political resolution which not only describes the Soviet Union as the main target of "imperialist attacks", but also, and probably for the first time, sharply criticizes the Chinese for "concentrating their fire against it (the Soviet Union) and supporting the U.S. on several actions and manoeuvres it undertakes in pursuit of its designs for global domination and war threat against the Soviet Union". This is in marked contrast to the resolution adopted at the last CPI(M) congress when the party remained loyal to its customary policy of equidistance: it blamed Moscow for revisionism". Beijing was accused of "dogmatism", and both were held responsible for causing "incalculable harm" to world Communism by their incessant bickering. This time, while the CPI(M) has chosen not to say anything about the Soviet Union's ideological position, it has criticized Beijing even though Chinese leaders reportedly apologized to visiting Indian Marxists for their error in supporting the Naxalite movement. The resolution indirectly admits this by saying that the Chinese are "correcting the grave mistakes and distortions of the Cultural Revolution", but evidently, the CPI(M) is not satisfied with the extent and effectiveness of Beijing's efforts to atone for the past. Or, perhaps, this disapproval is necessary to justify the CPI(M)'s own emerging policies. For the party's rapprochement with Moscow has been on the cards ever since hard-line pro-Chinese elements left the CPI(M) during the Naxalite upsurge. Nor has the Soviet Communist Party appeared

unwilling to repair fences, especially after it became clear that Marxists were the more important of India's two Communist groups. But one reason for the CPI (M)'s growing influence was its relative independence: too close a "fraternal" relationship with the CPSU may damage some of the confidence it may earlier have inspired.

CSO: 4220/7510

MOSCOW MAY ASSIST TEXTILE INDUSTRY EXPANSION

Calcutta THE STATESMAN in English 10 Dec 61 p 9

[Text]

NEW DELHI Dec. 9.—A massive long-term deal involving a major expansion of the textile industry in return for textile exports worth several hundred crores of rupees is being discussed with Russia.

The exports envisaged are substantially larger than the 350 million metres that India makes to various markets in Europe, Africa and other parts of the world but it is unlikely that any diversion from the traditional markets to Russia will be agreed to.

If therefore, the Soviet Union wants Indian textiles to the extent indicated, the industry will have to be expanded on the basis of assistance given by Moscow in the form of capital goods. Also needed is raw cotton since at present this is in short supply, and there have been years when imports have had to be made.

The Russian proposal, which was made recently, envisages heavy investment in the textile industry to ensure that the cloth produced are earmarked for the Soviet

Union. They have also indicated that they will be willing to supply raw materials, like cotton and possibly even synthetics.

If the deal comes through, it will mean not only a much larger textile industry in India but also a major boost in exports to Russia.

This will help close the growing gap in trade with Russia—expanding mainly because of the large defence imports and crude and petroleum products. At present, Russia faces a serious shortage of textiles for its own population and has little prospect of making up the gap itself. Hence the proposal to India.

India is keen on increasing exports, but it remains to be seen how far the Government is willing to accept Russian assistance for the creation of additional production capacity for what will be a captive market. Present indications are that the Government will not agree to exports at the cost of traditional markets and domestic availability.

CSO: 4220/7514

CPI-M CENTRAL COMMITTEE MEMBER: NO SOVIET TILT

Calcutta THE STATESMAN in English 10 Dec 81 p 9

[Text]

CPI(M) leaders repudiate the suggestion that the central committee's draft political resolution for the party's 11th congress to be held at Vijayawada in January shows a pronounced tilt towards the Soviet Union.

A careful study of the resolution, according to Mr Saroj Mukherjee, a CC member, shows that the party has tilted neither towards the Soviet Union, nor towards China, but has been following consistently an independent policy in its assessment of the international situation. This stand has earned for the party more prestige from other Communist parties of the world.

The CPI(M)'s resolution on the Union Government's foreign policy, which it largely supports on issues like Afghanistan, Kampuchea and Vietnam, has brought the party closer to the CPI, which has identical views on these subjects. Like the CPI, the CPI(M) has also condemned the anti-Sovietism of Janata, BJP and other "bourgeois-landlord parties". The CPI(M) also condemns China's support for USA's military aid to Pakistan. While criticizing the "present-day aberrations" of the Chinese policy, it hopes that China will take its place in the fight against imperialism, in cooperation with other Socialist countries.

While sharply criticizing the Union Government's economic policy and the Congress (I)'s "drive for dictatorship", the CPI(M)'s draft resolution supports, by and large, Mrs Gandhi's foreign policy.

CSO: 4220/7514

SOVIETS OFFER AID TO INDIA IN PHOSPHATE SEARCH

Bombay THE TIMES OF INDIA in English 7 Dec 81 p 9

[Text] Dehra Dun, December 6--The Soviet Union has offered technical assistance to investigate and explore rock phosphate reserves in India.

This was disclosed by Mr. A. L. Yanshin, Soviet minister, who attended the fourth international field workshop and seminar on phosphorites which concluded here today.

He told newsmen that India had enough rock phosphorites which required detailed investigation. Russia was prepared to train Indian geo-scientists in the technology available with them for beneficiation of low phosphatic rock.

Mr. Yanshin said an army of geologists and experts was required to explore the untapped vast resources in the Himalayan region and other areas.

Earlier, at the seminar, there was a consensus of opinion that rock phosphate deposits discovered in China, Australia, Iran and the U.S., were similar to those found in the Mussoorie hills in India. These deposits were associated with carbon rocks. Phosphatic carbon rocks found in Siberia (Russia) extended up to adjoining Mongolia.

About 40 delegates from 15 countries, including the U.S., China, the USSR, France, the U.K., and Vietnam participated in the five-day seminar. Dr. B. M. Sinha, deputy director-general, Geological Survey of India presided over the concluding session.

The participants included Mr. Yanshin and the U.S. expert, Mr. R. P. Sheldon, under whose leadership the Indo-U.S. team explored rock phosphate in the Mussoorie hills 15 years ago.

The participants were unanimous in their view that most important world deposits of phosphorites are associated with some volcanic rock and organic matter in the seabed as is evident in India, particularly in Jamarkotla in Rajasthan. They laid emphasis that besides studying fossils, systematic geo-chemical sampling and their analysis should be done. Since phosphorites are found associated with pyrites and gypsum, due importance to mineralogy and petrology was recommended.

Earlier, Mr. T. N. Jaggi, managing director of PCL, stressed the need for beneficiation of low grade phosphatic rock which constituted two-thirds of the identified rock phosphate deposits in the world. It would help meet the increasing food shortage.

WRITER EXAMINES PROBLEMS OF RELATIONS WITH NEPAL

Calcutta THE STATESMAN in English 10 Dec 81 p 8

[Article by S. Sahay]

[Text]

THE visit to Kathmandu this week by the President, Mr Sanjiva Reddy, hard on the heels of the earlier visit by the Foreign Minister, Mr Narasimha Rao, should further reassure the Nepalese of India's concern and goodwill for them and their country. Such reassurance is vital for continued good relations, for, to face the facts, there have crept up, in recent years, certain doubts, on both sides, of each other's intentions as well as overall foreign policy. Nepal is not sure of what its "giant" neighbour is up to and India, in its turn, is not sure whether Nepal has not slowly but surely been drifting away from the sort of relationship that shared history, culture and tradition have shaped. The speeches by the Indian President and King Birendra at the banquet given by the latter have tangentially referred to these differences.

None will quarrel with the proposition that the type of government Nepal chooses is entirely her business and Mr Reddy did well to emphasize the point. Forms of government cannot be allowed to interfere with the relations between the two countries. However, in the very nature of things, India has to know the sort of administration she has to deal with. Thus it is important for her to know that, despite the introduction of adult franchise at the Rashtriva Panchayat level, and despite the provision of electing the Prime Minister by 60% of the total membership of the Panchayat, provided 25% of members sponsor his candidature, it is the King who calls the tune. In a house of 140, there are 51

elected "official" candidates and together with the provision for 23 nominations by the King, the official bloc constitutes the majority. The non-official members are a divided house and that gives the King the added advantage. In any case, sufficient checks and balances exist in the Nepalese Constitution to make the King paramount.

PUBLIC POSTURES

It is clear, therefore, that now, and at least in the immediate future, India will have to take into account what the King thinks and feels. Irrespective of who the Prime Minister is. And judging by known public postures (as for instance the Nepalese claim of being the originator of the regional cooperation idea, in particular concerning water resources) India will have to grapple not only with bilateral but regional relations. In his banquet speech the Nepalese King talked of "Nepal extending its hands of friendship with all countries, particularly those of the region and our neighbourhood". Within this overall frame work, he wanted a more meaningful cooperation with India.

It was at the 1977 Colombo Plan Consultative Conference that the Nepalese King mooted the idea of regional cooperation in the field of water resources. And now it is well known that Nepal wants the issue to be considered at three levels: local, bilateral and regional. She feels that, on the small rivers, she has the freedom to implement any project, even if diversification of water be detrimental to India. Concomitant with this she has been claiming her

rights as an "upper riparian". Apart from bilateral talks with India, she has been insistent on discussions on water utilization in the regional context. She has been claiming that all waters flowing from Nepal belong to her until they reach the ocean. This means that she wants navigational rights in the rivers that originate in Nepal and pass through India. Indeed she has asked for a study on its feasibility and rejected the Indian request for a perspective study for the optimum utilization of waters.

Nepal's zone of peace proposal, which after the Third Amendment finds a place in the Directive Principles of the Constitution, further extends the regional idea. And her support for the South Asian summit proposal put forward by Bangladesh is a further step in the same direction. Viewed in the context of Nepal's theory of equidistance from India and China, the drift of the Nepalese foreign policy is clear. It is veering away from the existing very special relationship with India.

ZONE OF PEACE

What has been the Indian response? India is legitimately worried that the zone of peace proposal would not only imply an international agreement on Nepal, providing third countries with an opportunity to interfere in the affairs of the sub-continent and thus impair its defence and security interests, but would also dilute the Indo-Nepalese Treaty of Peace and Friendship of 1950 which declares that there shall be perpetual peace

between the two countries.

India finds the Asian summit to be in conformity with Nepal's policy of regionalizing all issues, including the bilateral ones. She is of the view that, by supporting it, Nepal hopes to regionalize the water resources issue and make a better deal with India. It is true that, of late, Nepal's support for the Bangladesh proposal has been on a low key, but the direction is clear.

This broad policy formulation apart, there have been other developments which put a question mark on the very special relationship that has existed between the two countries. Among these are the 1963 Boundary Protocol between Nepal and China in which the Nepalese boundary has been extended beyond the India-China-Nepal trijunction shown in the Indian maps. The Nepalese response to the Indian objection on this score has been to suggest that the question be taken up by a boundary committee.

Further, this year the Most Favoured Nation (MFN) rates of duty on certain items imported from third countries have been reduced to the level of duty on imports from India, which this country views as a sharp departure from the practice of giving India a more favoured treatment than available to any other country. The Indian suspicion is that the new policy is intended to increase the level of smuggling of goods to India, smuggling of third country goods into India being important for Nepal for building up its rupee reserves. (What is generally not stated but widely rumoured is that some people near the Palace are deeply involved in smuggling.)

Yet another irritant is the

discriminatory treatment to which people of Indian origin have been subjected. They no longer enjoy the privileges accorded to them by the 1950 Peace and Friendship Treaty. There has been discriminatory legislation against foreigners (which means mainly Indians), putting restrictions on property and the right to practise trade or business. This affects nearly two million people of Indian origin in Nepal. Then again Nepal's draft Sixth Plan makes disparaging remarks against "narrow-minded protectionist policies, high tariff walls and foreign trade regulations of neighbouring countries." It is clear towards which country the remarks are directed.

What about Nepalese misgivings? There appears to be the fear, sometimes publicly expressed, as for instance during the Chittagong seminar on transit trade, that India wants to keep Nepal in "political and economic subjugation." There is also the complaint that, as water resources go, India wants all the benefits at the cost of Nepal. For instance, if river projects are launched and Nepalese land is submerged as a consequence, India has shown no interest in fully financing the project that may be located in Nepal and then buying electricity from it.

It is also pointed out that if the Kosi river is silting up fast (for which India alone is to blame because it is she who decided where the project should be located) and if India now feels the need of building a new project far into the Nepalese territory, should not India allow Nepal the right to decide where the new project should be located rather than go by the Indian estimate? It is suggested that India cannot have it both ways.

She cannot decline to come fully to the aid of Nepal, as for instance in the case of the Asian Highway or the Karnali project, and at the same time object to Nepal seeking assistance from other countries and agencies.

IRRITANTS

Thus the Indian and Nepalese misgivings would appear to concern both the fundamentals and the details. While there is little room for compromise over fundamentals, there is a good case for removal of minor and avoidable irritants, even of generous grants to Nepal. India's very special relationship with Nepal would warrant it. The budget aid to Nepal this year is Rs 17 crores. It could be considerably more.

Nepal may have a point in hinting that 1961 is not 1950 and one has to adjust to the world today, but the fact remains that the cornerstone of the Indo-Nepalese relationship has been the very special bond that exists between the two countries. It should be a matter of concern to India that, in the last two decades, Nepalese agricultural production—the mainstay of the economy, has grown only at the rate of 1.1 to 1.3% a year against its population growth of 2.8%. With the steady decline in agricultural surplus, this source of export earning has been virtually eliminated. And that, because of the problem of communication, she is unable to exploit her mineral deposits—lead, mica, zinc and gold, to name a few.

Once this firm basis of friendship between India and Nepal has been unequivocally restated, the rest should be easy. History, geography and culture have put them together. Let not foreign policy tear them asunder.

WEST BENGAL CHIEF ASKS 'RETHINKING' ON IMF LOAN

Madras THE HINDU in English 9 Dec 81 p 9

[Text] New Delhi, Dec. 8--The Chief Minister of West Bengal, Mr. Jyoti Basu, told a news conference here today that he had written to Prime Minister, Mrs. Indira Gandhi, appealing to her and the Union Finance Minister, Mr. R. Venkataraman to do some "rethinking" on the acceptance of all the "humiliating and stiff conditions" imposed by the International Monetary Fund for the loan of five billion SDRs (Special Drawing Rights).

Mr. Basu said he had pointed out to the Prime Minister that the matters relating to the loan should have been discussed at a meeting of the National Development Council (NDC). The decision to seek the loan and agree to all the IMF conditions was a "deviation" from the Government's economic policies endorsed by the NDC meeting held earlier to finalise the Sixth Five Year Plan.

Dr. Ashok Mitra, Finance Minister of West Bengal said, "We will try to persuade the Government of India not to agree to these conditions and ask it to work out alternative and nationally more acceptable ways of saving foreign exchange".

Dr. Mitra drew attention to what he considered as "significant statements" made by the Prime Minister and the Finance Minister while replying to the debates in Parliament on the IMF loan.

The Prime Minister had gone on record that despite the loan arrangements having been completed, if the terms and conditions compromised the nation's economic sovereignty the Government would not go for the loan.

Mr. Venkataraman had also said that in case "our domestic crude oil output picks up satisfactorily in terms of the projections made by the Petroleum Minister, we will not go for the third instalment of the loan".

Dr. Mitra said if the third instalment was left out, the loan will become \$ 2.7 billions. "There are several economists in the country who argue that it was possible for the Union Government to get at least 2.2 billion SDRs from the IMF on terms which are much less humiliating and stiff", he said.

Dr. Mitra said Mr. Venkataraman had again gone on record that he stood only by the statement of economic policies made to the IMF by the Government and not by the

contents of the IMF staff memorandum. In all such negotiations fructifying in the sanctioning of loans of this size, the general understanding was that the contents of the IMF memorandum were implicitly agreed to by the Government of the borrowing country.

"If Mr. Venkataraman now wants to shift a little sideways and if this is the Government of India's position, would the IMF go through this loan arrangement?"

Bilateral payments: Dr. Mitra pointed out that the position stated by Mr. Venkataraman in respect of bilateral payments, "is in effect belied by the annexure to the IMF staff memorandum".

"As far as our understanding goes, the IMF might agree as a special case not to take special objections to the outstanding bilateral agreements, but any new agreements will have to be vetted by the IMF".

Dr. Mitra said though the debate in Parliament had concluded, there was a fair body of opinion that if India conformed to the IMF conditions, it would severely affect the country's right to take economic decisions independently.

Overdraft: Mr. Jyoti Basu said he had asked the Planning Minister to postpone the meeting scheduled for December 24 with the West Bengal Government's representatives about the overdraft position of the State.

The West Bengal Government was not quite sure how far the RBI's figures relating to the overdraft were correct. There had been a go-slow stir by a section of the RBI employees and work had come to a standstill. Though the work had resumed, it was necessary to check the correctness of the figures.

CSO: 4220/7512

IMF NOTE NOT IN ACCORD WITH VENKATARAMAN STATEMENT

Calcutta THE STATESMAN in English 5 Dec 81 p 1

[Text] New Delhi, Dec. 4--Mr R. Venkataraman's statement to Parliament--that India will not draw the third year's instalment of the Rs 5,000-crore loan from the International Monetary Fund if oil production increases--does not tally with the IMF's understanding of the Government's position.

This is clear from the IMF's confidential memorandum submitted to its executive board, in which it says that, based on projections provided by the Government, "the current account is projected to peak in 1983-84", the third year of the loan when the Finance Minister hopes not to draw on the IMF's extended fund facility.

The hopes that oil production will increase considerably to enable India to forgo the third year's instalment is also not borne out by figures given to the IMF. The memorandum says that "the proportion of self-sufficiency in oil production would rise from 24% in 1979-80 to a projected 53% by 1984-85" even after the accelerated programme of production from Bombay High.

Thus, the IMF has been given to understand that, far from producing 70% of its oil needs--let alone reaching full self-sufficiency--India will still need to import almost half its oil production in the final year of the Sixth Plan. On this basis, the IMF has said that "these projections for crude oil production appear realistic to the World Bank", which was associated with the negotiations on the loan.

The IMF's understanding is therefore, that there is little optimism on the oil production position, which has a far more limited target than Ministers have been mentioning in public. The conclusion that can be drawn is that oil imports will continue to be heavy in the third year of the loan, contrary to Mr Venkataraman's assurance to Parliament.

Conditions for future instalments of the loan, that is, from June 1981, will depend on consultations to be held again with the IMF. The next round will be held before March 25, 1982, after the next Budget has been announced and the new import policy is being finalized.

CSO: 4220/7500

HISTORY OF PRC-INDIA BORDER ISSUE DISCUSSED

Calcutta THE STATESMAN in English 4 Dec 81 p 9

[Text] New Delhi, Dec. 3--Mr B. K. Basu, president, and Mr Jyotirmoy Bosu, senior vice-president, of the Dr Kotnis Memorial Committee, have suggested that at a time when talks are about to begin on the Sino-Indian border question, "it will be advisable to dig into the past (with regard to the actual position of the border and the claims and counter-claims made thereafter) and to consider carefully the package offer that the Chinese have made".

In their report "India-China border issue--compilation of facts and views", they have said: "As the successor State to the British Raj, the Government of free India has to accept the correct position and not the legacy left by the British in regard to the border, as in regard to other assets and liabilities.

"A close study of the northern boundary of India in the Survey of India maps since 1930 shows that in the north-eastern side, the boundary ran more or less along the foothills of the Himalayas. In the Aitichison Treaties (1931), an authoritative publication of the foreign and political departments of the Government of India, it was stated that the northern boundary of Assam lay along the Sela range, and Tawang was included in Tibet. "But since 1938, the Survey of India maps were unilaterally changed and the north-eastern frontier of India was shown as lying along the Himalayan watershed line. There was no international treaty basis for this line. Due to machinations of Sir Olaf Caroe, the original records of the abortive tripartite Simla conference (1913-14) which dealt only with the Sino-Tibetan boundary and were printed in the Aitichison treaties (vol 14 in 1929), were suppressed. By a process of forgery, Caroe produced a new version of Aitichison's treaties (vol 14) in 1938, but with an imprint of 1929. In this book it was falsely presented that the McMahon Line running along the Himalayan watershed was based on tripartite treaty arising from the Simla conference

"About the western sector of the northern frontier", the report said, "we find that up to 1938, the boundary was shown along the Karagoram watershed line leaving Aksai Chin beyond the Indian territory. In 1945 Sir Olaf Caroe tried to push this northern frontier east of Karakoram pass to register a vague claim up to Kuenlun Mountain. But then he did not dare to make a categorical claim over this region for British India, and the Survey of India map carried the remark "boundary undefined".

"In July, 1954, the Government of India issued a new Survey of India map deleting the word "undefined" over this region. Since most of the previous Survey of India maps were withdrawn from circulation, the Indian Parliament and the public were misled to believe that Aksai Chin was legally a part of India".

The committee president and the senior vice-president said that the recent deliberations in the Indian Parliament have reflected a mood which is helpful for the restoration of normal ties with China. "But we have to be on our guard against the machinations of the imperialist powers to spoil a friendly approach to China. For the imperialist powers, the signs of good Sino-Indian relations are an alarming development. No wonder that there are forces within the country who will oblige the imperialists, as they did to provoke hostility in the pre-1962 crisis. Only strong public opinion can stall their sinister moves".

CSO: 4220/7497

CPI TAKES STAND ON GANDHI FOREIGN POLICY

Calcutta THE STATESMAN in English 4 Dec 81 p 1

[Text] New Delhi, Dec. 3--The CPI's central leadership has criticized Mrs Gandhi for adopting "the opportunist" line during her recent visit to France and her talks with the French President, Mr Mitterand, to have a third bloc as a "golden mean" equi-distant from the USA and Russia.

Describing it as a "specious theory", the CPI's Central Executive Committee communique also censured her argument that the world was no longer bi-polar but "multi-polar" and therefore a "third bloc position" would best serve India's interests and world peace.

However, the CEC has welcomed Mrs Gandhi's voicing of the demand on behalf of the developing countries for a new economic order. She is also praised by the CPI leadership for defending India's "realistic positions" on Afghanistan, Kampuchea, West Asia and for drawing attention to war danger and threat to India's sovereignty and integrity. It has also appreciated her call for curbing arms race and condemning policies of confrontation and military dictate.

The CEC's communique was released to the Press by the CPI general secretary, Mr C. Rajeswara Rao, who warned against accepting Pakistan's offer of a no-war pact with India. The CEC met here between November 27 and December 1.

Mr Rao said his party thought that Pakistan's offer was a "hoax" and a diversionary ruse to blunt India's vigilance against the "Washington-Peking-Islamabad conspiracies and to reopen and internationalize the Kashmir question". Therefore, he said, the caution and vigilance displayed by India was entirely justified.

The CPI's central leadership reiterated its opposition to the Centre's decision of contracting a loan of \$5 billion with the International Monetary Fund and called for the widest possible resistance to the "inequitable IMF deal".

The CEC also referred to the infighting and corruption at different levels in many Congress (I)-ruled States which, it said, had crippled the Administration leading to a virtual breakdown of the law and order situation. Uttar Pradesh, Bihar, Punjab and other Congress (I) States are glaring instances, it said. The Antulay affair highlighted the extent of corruption in the ruling party. In such a situation, the bureaucracy and the police were getting free rein to attack the people.

The CPI leadership is also critical of the BJP for its "demagogically exploiting people's discontent over inflation and rising prices to spread its influence. It attacks the Government's foreign policy from the pro-USA angle, the communique said.

The CPI, the statement says, does not believe that the Left forces can join hands with the BJP in the "struggle against authoritarianism".

CSO: 4220/7497

GONSALVES INTERVIEWED ON KUALA LUMPUR TALKS

Bombay THE TIMES OF INDIA in English 4 Dec 81 p 9

[Article by Dilip Mukerjee]

[Text] KUALA LUMPUR, December 3.

AT the conclusion of two days of talks held here by an Indian delegation, its leader, Mr. Eric Gonsalves, said: "We are getting into specifics on plans for bi-lateral cooperation. We are getting to grips with concrete issues."

Mr. Gonsalves, secretary to the ministry of external affairs, told this correspondent that differences, however, persisted over Kampuchea.

"While we have no doubt about the sincerity of the Malaysian government in seeking to promote a negotiated political settlement in that country, in keeping with the Malaysian goal of a zone of peace, freedom and neutrality in south-east Asia, we on the Indian side have doubts whether the approach adopted by Malaysia, in conjunction with its ASEAN partners, will work."

SAME OBJECTIVES

He added, "Our objectives are the same. ASEAN and Malaysia want Vietnamese troops withdrawn from Kampuchea so that its people are free to choose a government of their choice. We endorse this objective, but we think it can best be achieved by pursuing a different approach."

He was referring to the ASEAN initiative in organising a coalition of anti-Vietnamese Kampuchean factions to create a third force in the country — an alternative to both the Heng Samrin regime which took over in January 1979 in the wake of the Vietnamese entry into Kampuchea and the Chinese-backed Khmer Rouge government which was ousted in the process.

The Malaysian side explained at some length the background to the

coalition efforts and recalled in this context the recent statements by the Malaysian foreign minister, Tan Sri Ghazali Shafie, calling upon all those in favour of a third force to help it acquire "teeth."

The Indian side is understood to have voiced its doubts whether the coalition would really be a third force since it was intended to include Khmer Rouge as an equal partner along with the other two non-communist factions. Given the total antagonism between the Vietnamese and Khmer Rouge, the chances of Hanoi agreeing to a dialogue with the coalition — as proposed by Tan Sri Ghazali — were remote.

International issues, among them Kampuchea, were actually on the fringe of the agenda for the two-day talks, the main purpose of which was to examine the scope for bilateral co-operation.

The talks took place in the framework of an agreement on economic and technical co-operation reached between the two countries in 1975 when a former Malaysian prime minister, Tun Hussein Onn, paid an official visit to India.

The joint committee set up under the agreement held its first meeting in New Delhi last year. Its second meeting in the last two days provided the occasion for the talks at which the Indian side included officials from the ministries of commerce and industry as well as technical officials connected with specific proposals under discussion.

The Indian team reiterated New Delhi's interest in supplying initially iron ore and later pellets for two

600,000-tonne sponge iron plants on which Malaysia has embarked. As it happens, an Indian firm of consultants, Dasturchi, acted as advisers to the Heavy Industries Corporation of Malaysia, which is putting up one of the plants. The consultants were brought in to help the public sector agency to evaluate tenders for the plant.

The Malaysian side noted the Indian interest in a supply contract, and indicated that the offer would be evaluated by the corporation along with those from other sources. Australia is another major bidder.

In pressing the Indian bid for ore supply, the visiting delegation referred — although only in passing — to assurances offered by the Malaysian government to do whatever it could to help bring the trade between the two countries into better balance. At present, the surplus is heavily in Malaysia's favour, with imports into Malaysia running at less than half its exports.

There was more concrete discussion on Malaysian proposals for securing expertise and training facilities from India for dairy development. This technical cooperation could lead to joint ventures in this field.

The Indian side once again pressed for a share in government contracts, eliciting the standard Malaysian answer that it was up to India to win tenders based on price and quality.

Some scope was seen during the discussions for Indian participation in Malaysia's plan for developing its railway network. A beginning was made when the Indian public sector agency, RITES, recently won a consultancy contract for a marshalling yard.

BURMESE REBELS REPORTEDLY INFILTRATE MIZORAM

Bombay THE TIMES OF INDIA in English 4 Dec 81 p 12

[Text]

SHILLONG, December 3: A little over 100 Burmese insurgents belonging to the "Arakan independence army" have infiltrated into southern Mizoram, according to official reports reaching here.

The Burmese rebels, who have entered into a secret pact with the Mizo insurgents, managed to sneak through the security net along the India-Burma border and take refuge in the sparsely populated jungles of southern Lunglei district.

The security forces, in conjunction with Assam Rifles, have recently picked up about 20 of these Burmese militants. Arrangements were being made to deport them after interrogating them.

According to these reports, the rebel Mizo National Front (MNF) had provided refuge to the Burmese insurgents in lieu of weapons they had brought with them.

The security forces have, in the meantime, intensified patrolling along the long open international border with Burma and launched a vigorous drive to detect and deport the infiltrators.

CSO: 4220/7496

CANADA ASKED TO CHECK KHALISTAN ACTIVISTS

Calcutta THE STATESMAN in English 4 Dec 81 p 1

[Text] New Delhi, Dec. 3--India had requested the Canadian Government to amend its laws if it was not possible to check the Khalistan activists within the legal framework of that country, Mr P. V. Narasima Rao, External Affairs Minister, told the Lok Sabha today.

Mr Rao said that it had come to the notice of the Government that a so-called "Consulate of Khalistan" had been set up in Vancouver. "The Government is also aware of reports that the activists may be given military training", he added.

Mr Rao, who was answering a question by Mr Rasheed Masood (Lok Dal), said that India's concern had been conveyed in "suitable terms" to the Canadian authorities. Answering supplementaries, he said the existence of the so-called Khalistan "Consulate" was totally wrong.

The Minister told Mr Mani Ram Bagri (Democratic Socialist Party) that under its own laws India could deal with the people behind the Khalistan movement.

Asked whether the proponents of the slogan were "leaders", Mr Rao said: "They have been made leaders". he denied that the Government had come across any stamp issued by the Khalistan movement.

Mr Subramanian Swamy (J) told the Minister that during a visit to Vancouver some time ago, he had found "great dissatisfaction" among Indian settlers who were ex-servicemen, because of delays in finalizing their pension provident fund and other such benefits.

Mr Swamy wondered whether by having more staff at the Indian Consulate at Vancouver this feeling could not be eliminated. Mr Rao told him that if there was indeed a question of under-staffing at the Indian Consulate there, he would look into it.

CSO: 4220/7497

COMMERCE MINISTER GIVES FIGURES ON FOREIGN TRADE

Bombay THE TIMES OF INDIA in English 9 Dec 81 p 6

[Excerpt] New Delhi, December 8 (PTI & UNI)--The commerce minister, Mr. Pranab Mukherjee, today told the Rajya Sabha that the country's exports had registered a 16 per cent increase in the current year.

In reply to the main question and a spate of supplementaries, he said that the rise in exports in certain key sectors was even to the extent of 22 per cent, but he was giving a conservative estimate of 16 per cent.

He told Mr. S. Shahabuddin and Mr. S. S. Bhandari that the export and import policy was kept under constant review and items were changed keeping in view the demands of the industries and the consumers every year while announcing the policy.

Mr. Mukherjee said that the imports during 1980-81 increased by 38 per cent over the previous year. The main items on which the government spent major part of the foreign exchange earnings were petroleum and allied products, crude, cement, steel, edible oils and some other basic requirements.

He said the open general licence (OGL) imports were not considerable. During this year so far the OGL imports were worth Rs. 400 crores only.

The country had spent Rs. 5605.69 crores on imports up to the end of September 1981, Mr. Mukherjee added.

Mr. Mukherjee said that there was no list of OGL items. On the contrary there were lists of banned or restricted items only. He had transferred a number of items from the OGL to the restricted and banned lists while announcing the last import-export policy.

He told the house that according to the latest available data, the value of India's overall imports during the year 1980-81 amounted to Rs. 12,434.58 crores.

He said that India was importing rough diamonds which were cut and polished here and exported to other countries. "We are also exploring the possibilities of increasing diamond production in the country, he said.

DEVELOPMENT PLANS FOR AIRCRAFT MANUFACTURE DISCUSSED

Hindustan Aeronautics 15-Year Plan

Madras THE HINDU in English 4 Dec 81 p 6

[Text]

BANGALORE, Dec 3

The Government of India-owned Hindustan Aeronautics Limited, has prepared a 15-year corporate perspective plan during which period it hopes to develop and put into production a twin-engined advanced light helicopter, a light combat aircraft, a light transporter, an advanced jet trainer based on a by-pass engine and a turbo-prop version of an elementary trainer.

Giving this information in his address to the delegates attending the seminar on aerospace alloys and fabrication technology at Bangalore organised by the Indian Institute of Metals (Bangalore Chapter) and the Department of Metallurgy, Indian Institute of Science, Mr S. C. Keshu, Director (Corporate Planning) of HAL, indicated that the future thrust of development at HAL would be to reduce licensed production and increase production based on indigenous design.

Mr Keshu said HAL had produced in the last 30 years of its existence about 2,300 aircraft of 18 different types of which nine were of Indian design.

New types of aircraft: Three new types of aircraft designed at HAL will soon go into production. These are the HPT-32, an elementary piston engine trainer, the Kiran Mark II, a

jet trainer and the Ajeet two-seater advanced jet trainer.

Under an advanced stage of development is a small jet engine for a pilotless target aircraft designed by the Aeronautical Development Establishment, Bangalore.

Mr Keshu indicated that about 15,000 tonnes of special metals and alloys would be required by HAL during the next 15 years, including 8,800 tonnes of steel, 4,600 tonnes of alloys of aluminium, 1,500 tonnes of nickel, 1,050 tonnes of titanium and 150 tonnes of magnesium.

Most of these materials are not yet made in India, though Mehra Dhatu Nigam of Hyderabad (Mehra) has made a beginning. However, while Mehra can make the alloy ingots, there is a big gap in the fabrication facilities available in the country to transform the ingots into components needed by the aerospace industry. To bridge this gap, HAL will set up a heavy forging plant costing about Rs 75 to 100 crores.

An investment of another Rs 150 crores for other subsidiary downstream facilities should suffice for a reasonable level of self-reliance in manufacturing aircraft in the country, according to Mr Keshu.

Strengthened R&D Urged

Madras THE HINDU in English 4 Dec 81 p 6

[Text]

HYDERABAD, Dec 3

Air Chief Marshal O. P. Mehra, Governor of Maharashtra and former Air Force Chief, has suggested a review of the working of the Hindustan Aeronautics Limited, in the light of the country's present-day needs.

He was addressing the valedictory function of the Fifth Higher Air Command Course for IAF officers at the college of Air Warfare in Secunderabad today.

Mr Mehra, a former HAL chairman, said a new look at HAL's organisational

structure was necessary as what the multi-unit defence sector undertaking had done in the past may not be good for all times to come."

Air Chief Marshal Mehra was of the view that the present arrangements with regard to development and production of defence equipment needed to be shaken up. He suggested the setting up of an aeronautics commission or board, on the lines of the Atomic Energy Commission or the Electronics Commission to look into all aspects of the aircraft industry, including defence requirements — design, production, development and research — and serve as a "single point of responsibility" with regard to meeting the country's needs.

He said India had all along been dependent on imports for defence equipment which did not augur well

for a country with a pretence of a strong and powerful nation. Basically, the country's Research and Development work needed to be strengthened for meeting defence needs. India should strive to become self-reliant within the shortest time possible.

Air Chief Marshal Mehra presented graduation certificates to the course participants.

Air Vice Marshal Man Singh, Commandant of the College of Air Warfare, welcoming said the college was primarily intended to train selected officers of the rank of group captain and wing commander for higher command and staff appointments. Coming under the new department of Air Warfare, the college, was expected to be "fully established" by the middle of next year, he added.

CSD: 4220/7498

RESEARCHER REVIEWS PROBLEMS OF AIRCRAFT DEVELOPMENT

Calcutta THE STATESMAN in English 7, 8 Dec 81

[Article by Ravindra Tomar]

[7 Dec 81, p 8]

[Text] **THE** Hindustan Aeronautics Limited (HAL) was formed in 1964 with the intention of achieving eventual self-sufficiency in aircraft manufacture and with the primary aim of fulfilling IAF requirements. The manufacturing programme then included licensed manufacture of the Poland Gnat, the HS-748, MIG-21 and the Alouette III (Chetak), followed by the SA-135 (Cheetah) helicopter in 1970. At the same time, under indigenous development were the transonic HF-24 MK I MARUT and HJT-16 Kiran basic jet trainer (which, incidentally, bear a striking resemblance to the Hawker Hunter and the Hunting Jet Provost respectively).

The power plants for all these aircraft, excepting those for the MIG-21 and the helicopters, were of British origin, i.e., those made by Rolls Royce. Variants of the Orpheus powered the Gnat and the HF-24 Marut; the HJT-16 was fitted with the Viper II engine; and two Dart turboprop engines were used for the HS-748 transport aircraft being assembled at Kanpur. In other words, while all the technology that HAL was using was imported, it was at least a good beginning for the future of the country's aircraft industry or so it seemed then.

With over 15 years having passed since then, a review of the progress made by HAL is desirable, if not absolutely necessary. The aircraft manufacturing units of HAL are located at Kanpur (HS-748); there is the MIG complex (the aircraft assembly and testing done at Nasik, the engine

being manufactured at Koraput and the avionics at Hyderabad); and, lastly, the Bangalore complex which is the biggest of them all, manufacturing all other aircraft as well as providing overhaul facilities for engines. The accessories and the avionics complex are located at Lucknow and Hyderabad respectively.

FIRST EXAMPLE

The indigenously developed aircraft first. The HF-24 received more publicity than it deserved, understandably so since it was the first example that the country was well on its way towards self-reliance. The first prototype of the MK I flew in June 1961, while that of the first production HF-24 MK I Marut took place over six years later, in November, 1967. A total of about 125 Maruts, along with 15 trainers versions, were manufactured by 1977 when production finally ended. How successful these aircraft have been is evident from the fact that two of the three original Marut squadrons have already been converted to the MIG-23 BN ground support aircraft, which are at present being put together at the Nasik division. As far as the supersonic version, the HF-24 MK II, was concerned, it never really got off the ground because of lack of a proper engine. Unsuccessful attempts were made to use the Soviet Klimov VK-7 and the RD 9-F engines, resulting in the wasteful expenditure of about \$3 million, as also the Egyptian E-300 turbojet.

The project also envisaged the manufacture of the HF-24 IR—the reheat variant. Installation of the reheat engine resulted in severe drag problems with the aircraft and the entire programme was shelved after the first prototype of the MK IR crashed in 1969, killing the chief test pilot.

Development of a two-seat trainer, the HJT-16 Kiran, was taken up in 1960. Planned around the Rolls Royce Viper II, licensed production of the engine was not seriously considered because of an indigenous development project (the HJE-3000 turbojet) expected to develop 2,800 lb thrust and power the Kiran in later years. The first prototype Kiran flew in September, 1964, followed by a second in 1965. Series production of this aircraft was delayed considerably with deliveries taking place only from 1968 onwards. The HJE-2500 engine project also did not make much headway and was formally foreclosed in 1975 after an expenditure of about Rs 82 lakhs. As a consequence, the entire requirement of the engines had to be imported at a cost of about Rs 11 crores.

The aircraft itself does not seem to have been much of a success, considering that its average serviceability between 1970-76 was about 42% because of modifications, lack of interchangeability of parts, and delays in supplies of spares and ground test equipment. Also, as a consequence, a substantial number of Polish Iskara jet trainers had to be imported in 1975-76 to meet the shortfall in the IAF's train-

ing programme.

Subsequently, it was decided to power the Mark 2 version of the Kiran with a derated version of the HAL-built Orpheus 701 (developing a 3,500 lb thrust). The MK 2 is slightly different from the original Kiran basic jet trainer in that it incorporates four hardpoints on its wings, including two for 7.62 mm guns, thereby also being able to provide armament training — of sorts. The first of two Kiran MK 2 prototypes flew in 1978 but it is only recently, a few months ago, that the HAL received authorization to start production of an initial batch of 34 aircraft, scheduled for delivery to the IAF and the Navy from early 1983 onwards. But, compared to the current generation of advanced jet trainers in use with other air forces, for example the Franco-German Alpha Jet or the British Aerospace Hawk (which uses the unrebated variant of the Adour engine now being manufactured at Bangalore), the Kiran MK 2 would seem to be at least 20 years behind time, to say the least.

EXCESSIVE WEIGHT

The Bangalore division has also designed and developed the piston-engined HPI-2 primary trainer, the first two prototypes of which were flown in 1977 and 1979 respectively. They had completed over 400 sorties by 1981, but excessive weight, particularly in wing construction, delayed IAF production authorization. These problems were said to have been overcome in the redesigned third prototype which flew in July this year, and the IAF has finally authorized production of an initial batch of 24 aircraft (out of a total requirement of 150). To be manufactured at the Kanpur Division, deliveries are expected to begin in 1983, but, in the meantime, the IAF has had to recondition some of its aging HT 25 (of 1950s vintage) in order to maintain its pilot training programme.

With its current shortage of combat pilots and the proposed expansion of training facilities in order to expand output, it is a matter of speculation as to whe-

ther the IAF (as in the case of the Kiran) will not be forced to import even primary trainers.

HAL had also developed the Basant crop sprayer, a single-engined aircraft designed for the Ministry of Agriculture which promptly turned it down because it could not fulfil its requirements. As a result, only 40 aircraft out of a planned total of 100 were manufactured and the loss suffered by HAL (which, in turn, will be reimbursed by the Government) is about Rs 200 lakhs.

As regards HAL's licensed manufacturing programme, built under licence from Aerospatiale of France, the first HAL Chetak rolled off the assembly line while the first Cheetah was completed in 1972. About 250 and 100 units respectively have been built but the production of these helicopters seems to be in jeopardy after completion of the 10-year licensed manufacturing programme. HAL is now continuing their manufacture entirely from its own resources and has secured orders for eight Chetaks from various public sector organizations. Offered at a price of between Rs 60 and Rs 70 lakhs, the sound-proofed VIP version of the Chetak obviously did not seem to have been a very attractive proposition to the private sector despite the intensive sales campaign launched a few months ago.

A single-engined Advanced Light Helicopter (ALH) programme was also envisaged by IAF/HAL and a design collaboration agreement was signed with Aerospatiale in 1970. It included the design, development and manufacture of the ALH within 10 years of the date of agreement, which provided for a payment of \$750,000 in 10 annual instalments. By 1973, nothing had come of this proposal except for the expenditure of about Rs 75 lakhs (including Rs 40 lakhs in foreign exchange). Subsequently, the IAF changed its requirements, as also the Army and Navy, to that of a twin-engined version and a decision on the choice of even a collaborator has yet to be taken.

MINOR SNAG

The now famous Gnat has also had a rather chequered career, which will come as a surprise to many. While allegations have recently been made about Britain passing on an obsolete aircraft which the RAF itself does not use, it has been officially stated in the past that when it was acquired in 1968, the IAF knew that the manufacturer had not developed the aircraft fully. The RAF found that the Gnat did not meet its requirements, and told the IAF so. But it was the opinion of the latter that the plane was a good air defence aircraft and just needed some development.

During 1965, there were serious problems with the Gnat in that its 30 mm guns jammed a bit too frequently. But this was a minor snag compared to its other shortcomings. Its flying controls were a big problem as it had a very high failure rate so far as its Longitudinal Control System (LCS) as well as its hydraulic equipment were concerned. In comparison with the Hunter (both having been with the IAF in the same number of squadrons) in the same period of 18 years, four pilots lost their lives in Hunters as compared to the 19 killed flying Gnats because of LCS failure. In fact, in 1972, a study group headed by Air Commodore J. J. Bouche found that investigations into aircraft accidents involving LCS had been unsatisfactory because of lack of qualified investigators. Reports finding a large number of technical defect reports were not available either at Air Headquarters or at HAL.

Other problems included the failure of brake seals and brake units as also of the R/T communications sets. In fact, the aircraft had also had a very high accident rate (613 during the period 1958-80, and this excludes another 624 incidents). During the years 1963-73, the annual figure involving major accidents of Gnat aircraft was over 50. It was then that the decision to improve the Gnat to MK II standards or, what subsequently came to be known as the Ajeet, was taken in September, 1972. The aircraft were to be induced into squadron service from 1976-77 onwards.

[8 Dec 81 p 8]

[Text]

IMPROVEMENTS of navigation and communications systems included installation of IFF MK 10 (Identification Friend or Foe) — because a number of aircraft are reported to have been shot

down by our own air defence units). Bharat Electronics (BEL) manufactured TA/RA 22 VHF sets were replaced by U/VHF systems acquired from Collins (USA). To avoid fail-

ure of brake units, a new high-capacity battery generator was installed and modifications carried out to the 3 mm cannon and the hydraulic system. Improvements to the control sys-

tem (LCS) were delayed by four years, primarily because HAL lacked the required competence and, as a consequence, had to ask Lucas Aerospace (who had since taken over the Claudel Hobson Co.) to modify the power control (Hobson) unit, the work being completed only in October, 1979.

IAP requirements had specified an increase in range to 108 nautical miles. All that HAL could achieve was a range 93 n.m., subsequently increasing it by another 10 n.m. with the addition of two 33 gallon drop tanks which, in turn, imposed certain limitations on aircraft performance. But this again has not been free of problems. Initially, a number of fuel leaks were reported and modifications were said to have been introduced. As late as August this year, all Gnat MK IIs were grounded because of a suspected faulty fuel valve capable of causing in-flight fires.

OLD COMPONENTS

Thus, the aircraft could not be introduced into squadron service until December, 1979 and that, too, with concessions made to the original requirements. These included the use of certain old components instead of new ones, installation of the old power control unit (HU type-145) instead of the modified Hobson (HU type-1003) unit—with retrofits promised. The entire programme also produced surplus material worth Rs 200 lakhs (later reduced to Rs 105 lakhs as some of it could be utilized for other projects) and is scheduled to end in a few months.

The HS-748, an aircraft with a controversial past, has an equally interesting, if not questionable, manufacturing record. The first four HS-748 were series I aircraft and the rest were series II. Both were imported in kit form and assembled at Kanpur. The first of series I flew in November, 1961, while the first series II version flew in January, 1964. Since then, the programme has included a total of about 91 aircraft; manufacture of the last of these (the MF-military freighter variants for the IAF) will probably be complete by next year. The indigenization achieved in this process, over a period of about 20 years, is in the form of leading edges, wing trailing edges, spares, etc.

A study of the activities of the engine division of the Banga-

lore complex reveals an even more grim picture. The Turbomeca Artouste III, which powers both the Cheetah and the Chetak, will soon go out of production, as will the Orpheus 701 used in the Ajeet. Orders for the Dart engines ensure its production at least for the next two years. But that is just about all.

Nonetheless, there is a bright side to current manufacturing operations. Take, for instance, the MIG complex. After manufacturing the MIG-21 M ground attack interceptor, it has moved on to the Assembly of the MIG-21 "bis" (which means ultimate in Russian) air combat derivative and will soon move on to its manufacture, along with the R-23 engine. The latter will also involve a technological leap forward as a lot of titanium alloys are involved in its manufacture. The Nasik Division is also putting together the MIG-28 BN ground support aircraft which is coming in kit form.

Regarding the Jaguar project, with an investment of about Rs 65 crores, the envisaged programme, i.e. assembly of the aircraft, is already under way and the first example is expected to roll out on schedule by mid-1982. In the third and fourth stages, Bangalore will build sub-assemblies and detailed parts but a formal decision on the fifth and sixth stages, involving manufacture from raw materials, has yet to be taken. Despite this, the Lucknow Division will be producing items for this aircraft under 19 licences and include hydraulic equipment, fuel and electrical systems. The Hyderabad Division is also supplying at least six components for IAF Jaguars, including U/VHF transceivers, IFF transponders and radio altimeters which are expected to save India about Rs 10 crores in foreign exchange.

Besides, the new avionics factory, to be set up shortly, will manufacture highly sophisticated electronic equipment like the Laser Ranger and Marked Target Seeker (LRMTS), Inertial Navigation and Weapons Aiming Sub-systems (NAWAAS), combined Map and Electronic Displays (COMED), Head-up Displays (HUD), etc.

ENGINE TEST BED

The engine division has taken up the manufacture of the Adour MK 811 and the first HAL Jaguar will be powered by a locally assembled, partly-built, engine. An engine test bed for servicing Adours is also being

built and the manufacturing programme envisages an export of over \$36 million worth of engine components, besides acquisition of sophisticated technology including that pertaining to titanium alloys.

Consequently, we arrive at some conclusions as well as questions. Since its inception, what have been the achievements of the HAL in terms of indigenization, self-sufficiency and foreign exchange earnings?

The average delays in indigenously designed aircraft manufacturing programmes have been in the range of five to seven years, and even then, they have involved modifications, retro-modifications, problems with spares, customer (i.e. IAF) acceptance, etc. Another problem that HAL seems to have suffered from is lack of adequately trained personnel. While the design bureau could perhaps be blamed for delays associated with these programmes, the fault certainly does not lie in a lack of effort, given the rather meagre resources at their disposal. While involved with the HPT-32, the HJT-16 and the Ajeet programmes, they were also expected to proceed with design and development studies for advanced concepts and systems. And if the expenditure on R&D in 1979-80 (Rs 1.31 crores) is any indication, there has not been much financial backing either. Instances like the change in requirements for the Advanced Light Helicopter programme also indicated an absence of long-term perspective planning.

The result of all this has not only been losses incurred in individual projects but also a fairly substantial level of idle capacity at the various manufacturing divisions (for example, the manufacture of HPT-32 at the Kanpur Division will reportedly engage only about 260 workers out of a total of 1,400). IAF aircraft acquisition, as well as training programmes, have suffered and aircraft have had to be imported. The level of technology which HAL can claim to have been totally indigenized is of the late 1950s variety, though modern manufacturing concepts, as well as various systems, are in the process of being absorbed. The MIG and the Jaguar programmes are obvious examples.

HAL'S FUTURE

This becomes clear when we examine the rise in foreign exchange expenditure over the

last three years. For example, the expenditure on technical assistance, licence fees, etc. has risen from about Rs 44 lakhs in 1977-78 to Rs 266.7 lakhs in 1979-80. Foreign technicians' fees and expenses show a massive increase from Rs 81.4 lakhs in 1978-79 to Rs 1.01 crores in 1979-80. On the other hand, consumption of indigenous raw materials, components and spare parts has shown a steady decline, from 24% of the total requirements in 1976-77 to only 20% (Rs 1,919 lakhs as compared to Rs 7,671 lakhs) in 1979-80. This trend is likely to continue at least for the next couple of years, as licensed manufacture of more items gets under way. Though discouraging in the short term, this massive transfer of contemporary technology will yield benefits in HAL's future programmes.

Another positive factor regarding future aircraft manufacture is the GTX engine, "developed" by the Gas Turbine Research Establishment in Bangalore. The GTX-G version of this engine is based upon pro-

ject design work carried out between GTRE and Rolls Royce and has an estimated thrust of 11,450 lbs. Reported to be an updated version of the Adour MK 811 (8,400-lb thrust) currently under manufacture at HAL, it can also be fitted into the Jaguar. Thus, HAL finally seems to be in a position to implement the recommendations of the Subramaniam Committee on Aeronautics (1969), that is, manufacture of an aircraft around a proven engine.

What with most of the avionics soon to be manufactured within the country, there seems to be no reason why IAF's need for a Light Combat Aircraft should not be given overriding priority, and HAL resources concentrated on the project. Consequently, HAL would be well off if it concentrated more on planned absorption of technology and its application on these lines instead of spreading resources on purchase and/or assembly of "futuristic" aircraft which might again end in the kind of production and financial disasters we have witnessed in the past.

INDIA REPORTEDLY FACES CUT IN IDA AID SHARE

Madras THE HINDU in English 7 Dec 81 p 1

[Article by N. Ram]

[Text]

WASHINGTON Dec 6

With the World Bank's soft-loan programme out of commitment authority promptly once again, a painful struggle is on within and outside the institution over the size and schedule of a programme supposed to take care of three years.

The continuous backsliding by the United States on its IDA-6 commitments triggering the proportional mechanism for scaling down the commitments of other donors, has forced on to the agenda another painful issue — India's slice of the poor countries' cake.

There is much talk these days on Capitol Hill, but also within the Reagan Administration and the World Bank, about cutting the traditional share that Indian officials are in the habit of calling "our 40 per cent share". Mr. Jerry Lewis, a California Republican Congressman, is working on an amendment to the fiscal 1982 Foreign Aid Appropriations Bill along these lines:

20 per cent share: For every IDA dollar India gets over a 20 per cent share of the programme, there will be a matching reduction in the U.S. participation in IDA-6. The chances of Mr. Lewis' guillotine becoming law are not taken too seriously on the Hill, but the sense or tendency of congressional opposition to the current rules of the game can be missed only by hidebound bureaucrats.

Specialists in congressional "wheels

and deals" see the current struggle involving both the House and the Senate over the Foreign Appropriations Bill as dramatising "the fundamental philosophical and partisan divisions in Congress on how U.S. aid should be spent". They see the varying and constantly changing figures as masking "basic disputes over how much of the foreign aid budget should go for military aid given directly to U.S. allies and how much should go toward underwriting a World Bank affiliate, the International Development Association".

On the IDA issue, Mr. Ernest Strom, the abrasive American senior vice president of the institution, has manifested formally (in an interview published in an Indian newspaper) that no member-country could dictate what proportion of IDA funds could go to whom.

Competitive claims: All the same, he appears to have advised India's Executive Director, Mr. H. N. Ray, privately to be reconciled "gracefully" to the inevitable reduction in the IDA share — made inevitable by China's entry, the competitive claims of the poorest and least developed countries, and the appropriateness, given India's level of development, of shifting over more to resources to the International Bank for Reconstruction and Development (IBRD).

The more concrete development is this: With the World Bank's management recently informing an Indian delegation

that there is no prospect of finding IDA resources now for a \$350 million AFDC-4, the agricultural credit programme series, funded thus far exclusively by IDA, the proposal is expected to go later this month to the Board of Executive Directors as an IBRD loan.

Obviously, with over \$1 billion worth of IDA credits awaiting funds, nothing else might have been expected. But there is no question of the Government of India accepting a pining down of its traditional share "gracefully" or, as the saying goes, making a virtue out of necessity.

"Realistic" figure: There is no sign yet that the Reagan Administration is making a serious effort to win from Congress the \$620 millions it has formally asked for in IDA appropriations for fiscal 1982. The figure that is considered "realistic" on Capitol Hill is closer to the \$620-\$650 million range.

It could be worse than that, since the figure that has come out of the Senate Appropriations Committee is \$532 millions. And, if there can be no agreement on a Foreign Aid Appropriations Bill for fiscal 1982 (as there was not during the past two years), a "continuing resolution" would mean no more than last year's total.

Indian officials, including the Finance Minister, Mr. R. Venkataraman, seemed initially to downplay the impact of the travails of IDA-6 on India's IDA receipts, but the perceptions have surely changed

ABU DHABI TO RENEW OIL CONTRACT WITH INDIA

Calcutta THE STATESMAN in English 9 Dec 81 p 5

[Text] Abu Dhabi, Dec. 8--Abu Dhabi has agreed to renew its contract for supplying oil to India for 1982, reports UNI. During the current year, India imported 1.5 million tons of crude oil from the Gulf kingdom.

India is likely to import the same quantity during the next year, according to reliable sources. An official delegation of the Petroleum Ministry, Government of India, is expected to arrive here soon for negotiations with the Abu Dhabi oil authorities and decide on the quantum of import for 1982. They are also likely to sign a contract.

The official delegation will comprise the Finance Director of the Indian Oil Corporation and an official from the Petroleum Ministry.

So far, India has secured firm commitments to import over 10 million tons of crude oil against its total oil import recruitment of 14.4 million tons in 1982.

Agreements have been reached so far with Iran for 4.8 million tons, with Iraq for 3.5 million tons, with Venezuela for 500,000 tons and with Nigeria for 500,000 tons. Though Iraq has agreed to supply an additional 1.5 million tons of oil, India has yet to make up its mind in this regard.

The total domestic demand for India during 1982 is expected to be about 32 to 34 million tons of crude oil India is likely to get continue getting oil from the Soviet Union. It imported 2.5 million tons in 1981 from the Soviet Union. Besides, the existing contract with Saudi Arabia will continue till May next year.

CSO: 4220/7510

BRIEFS

SOVIET COFFEE PURCHASE--New Delhi, Dec. 3--India and the Soviet Union today signed an agreement for the export of 25,000 tonnes of green coffee to the Soviet Union during next year. The Rs. 50-crore contract was signed between the Coffee Board and Sojuzpleodoimport of Moscow. The Soviet Union has been the single largest buyer of Indian coffee. [Madras THE HINDU in English 4 Dec 81 p 9]

GUJARAT-SOVIET COOPERATION--The Governments of Gujarat and the Soviet Union signed an agreement in New Delhi on Thursday for setting up an enterprise in Gujarat for the production of pre-fabricated components in canal linings and canal structures. The agreement envisages preparation of a feasibility report on setting up of the project by Seikhosprom-Export. Experimental in nature, the project will have a capacity of 9,000 cubic metres of pre-fabricated components per annum. The preparation of the feasibility report will be financed from the credit granted by the Soviet government to the Government of India in accordance with the Soviet-Indian agreement last December, and with the provisions of the Indo-Soviet protocol of November, 1978. Mr I M Shah, chief engineer (Narmada Project) and joint secretary of the State government signed for the Gujarat government and Mr G Shcherbakov, Deputy Counsellor, USSR Embassy in India for the Soviet government. [New Delhi PATRIOT in English 5 Dec 81 p 4]

SIKHS IN PLO--Chandigarh December 6 (UNI)--About 150 young men from Punjab, most of them Sikhs, are working in various capacities with the Palestine Liberation Organisation (PLO). The Union government stumbled upon this information during its investigations to find out whether the extremist activities in Punjab had any foreign connections, well informed sources told UNI. Of about 150 persons working for the PLO only four were non-Sikhs, the sources said. The government was understood to be examining whether there was any link between the extremist activities in Punjab and the PLO. The sources said these persons were being paid about 200 British pounds a month in the case of individuals, and 400 pounds for a couple. All these mercenaries were reported to be working with the PLO outside India. It was further learnt that the government was also examining the possibility of any drop-outs, from among those employed by PLO, being connected with the extremist activities here. [Bombay THE TIMES OF INDIA in English 7 Dec 81 p 13]

IRAQI OIL AGREEMENT--New Delhi Dec. 8--An agreement has been concluded with Iraq for the supply of 3.5 million tons of crude oil in 1982, Mr P. C. Sethi Minister for Petroleum, Chemicals and Fertilizers, told Mr Madhavrao Scindia in a written reply in the Lok Sabha today, reports PTI. [Calcutta THE STATESMAN in English 9 Dec 81 p 9]

AID TO BANGLADESH--New Delhi, December 9 (UNI)--India and Bangladesh today signed a memorandum of understanding to facilitate and streamline the use of Indian technical assistance to establish mutually identified projects and ensure that ongoing programmes were implemented in a set time frame. The memorandum, the first of its kind between the two countries, was initialled in Dacca by the Indian high commissioner, Mr. M. Dubey, and Mr. A. M. A. Muhith, secretary in the external resources division in the Bangladesh ministry of finance. [Bombay THE TIMES OF INDIA in English 10 Dec 81 p 1]

AFRICAN TRADE WORKSHOP--New Delhi, Dec. 9--Ways of tapping the vast African market were discussed today at a workshop, organized by the Association of Indian Engineering Industry. The workshop was opened by Mr Pranab Mukherjee, Minister for Commerce. Mr Mukherjee asked Indian firms not to be deterred by the hurdles in Africa. Indian parties should make sure that they had adequate resources. The Government had decided to open an office of the Engineering Export Promotion Council at Abidjan, and the Minister said this should facilitate India's association with the projects funded by the African Development Bank. It had also been decided that the Trade Development Authority should open an office in Monrovia, and that the State Trading Corporation should strengthen its office in Nairobi. Mr Mukherjee pointed out that India's exports to Africa were very small, accounting for just of the total of Rs 6,700 crores. This could be easily improved upon. [Calcutta THE STATESMAN in English 10 Dec 81 p 9]

GARMENTS TO USSR--The Soviet Union will import Indian woollen and cotton knitwear garments worth over Rs 40 crore following the signing of contracts between the representatives of V/O "Raznoexport" and 18 Indian exporting companies in New Delhi on Thursday. The contracts provide for additional shipments of Indian knitwears to the USSR during 1982-83. USSR Foreign Trade Deputy Minister B S Gordeev, who was present during the signing ceremony, said the trade relations between the USSR and India had strengthened the mutual friendship between the two countries. [New Delhi PATRIOT in English 11 Dec 81 p 7]

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